



## CARLTON COLVILLE TOWN COUNCIL

### INTERNAL CONTROL STATEMENT FOR YEAR ENDING 31 MARCH 2026

#### 1. SCOPE OF RESPONSIBILITY

Carlton Colville Town Council is responsible for ensuring that its business is conducted in accordance with the law and proper standards, and that public money is safeguarded and properly accounted for, and used economically, efficiently and effectively.

The council is responsible for ensuring that there is a sound system of internal control which facilitates the effective exercise of the Council's functions and which includes arrangements for the management of risk.

#### 2. THE PURPOSE OF THE SYSTEM OF INTERNAL CONTROL

The system of internal control is designed to manage risk to a reasonable level rather than to eliminate all risk of failure to achieve policies, aims and objectives; it can, therefore, only provide reasonable and not absolute assurance of effectiveness. The system of internal control is based on an on-going process designed to identify and prioritise the risks to the achievement of the Council's policies, aims and objectives, to evaluate the likelihood of those risks being realised and the impact should they be realised, and to manage them efficiently, effectively and economically.

#### 3. THE INTERNAL CONTROL ENVIRONMENT

##### **The Council:**

The council reviews its obligations and objectives and approves budgets for the following year at its November meeting. The December meeting of the council approves the level of precept for the following financial year.

The Council has appointed a Finance Committee. The Committee meet once during the financial year. Members of the Committee monitor progress against objectives, financial systems and procedures, budgetary control and carry out regular reviews of financial matters. The minutes of the meetings of the Committee are circulated to all members of the Council.

The full council meets eleven times each year and monitors progress against its aims and objectives at each meeting by receiving relevant reports from the clerk.

The council carries out regular reviews of its internal controls, systems and procedures. See attached Report.

##### **Clerk to the Council/Responsible Finance Officer:**

The Council has appointed a Clerk who serves as both advisor and administrator. The Clerk also acts as the Responsible Financial Officer. The Clerk advises the Council on day-to-day compliance with relevant laws

and regulations, oversees risk management, and supports the Council in ensuring that its procedures, control systems, and policies are properly followed.

**Payments:**

All payments are reported to the Council for approval. Payments made by online banking are carried out in accordance with the Council's Financial Regulations. All authorised signatories are members of the Council; no officer of the Council is permitted to sign cheques or authorise payments.

Where delegated authority is used under Section 101(1)(a) of the Local Government Act 1972 and in line with the Council's Financial Regulations a report detailing those payments will be presented at the next full Council meeting.

**Income:**

All income is received and banked in the council's name in a timely manner and reported to the council.

**Risk Assessments/Risk Management:**

The council reviews its risk assessment annually in December and regularly reviews its systems and controls.

**Internal Audit:**

The council appoints an independent and competent internal auditor and approves the internal auditor's letter of engagement. The internal auditor reports to the council on an annual basis on the adequacy of it's:

- Records
- Procedures
- Systems
- Internal control
- Regulations
- Risk management

**External Audit:**

The council's external auditors submit an annual audit certificate, which is then presented to the Council. This process does not apply to smaller authorities that have declared themselves exempt.

**4. REVIEW OF EFFECTIVENESS**

The council must carry out a yearly review to check how well its internal controls are working. This should include a look at how effective the internal audit is. The results must be shared with the Council, and the Council should approve the Statement of Internal Control.

-----Rachael Arnott-----

-----Alison Ayers-----

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Chairperson

RFO/Clerk

Approved and adopted by Carlton Colville Town Council

Meeting date:

## CARLTON COLVILLE TOWN COUNCIL

### INTERNAL CONTROL REPORT

The Accounts & Audit (England) Regulations 2015 aims to strengthen governance and accountability through requirements related to internal control and internal audit.

Whilst the Parish Council has reviewed the effectiveness of the internal audit (independence, competence, proportionate and scope), it has a requirement levied on it to ensure that its financial management is adequate and effective and that it has a sound system of internal control: -

‘The regulations require active participation by members in providing positive assurance to the electors of their stewardship of public money. The framework of accountability is risk-based i.e. level of control and management must be appropriate to the risk involved. The Council must determine the most appropriate method of internal control.... care should be taken to ensure that internal control tests are proportionate and relevant and that they are neither seen as, nor intended as, undue interference in the RFO’s day to day management of financial affairs.’

As part of its internal control procedures, the [Town/Parish Council] has appointed a Councillor who is not an authorised signatory to carry out a review of the internal control system. This review should be done at least once a year or more often, depending on the size of the council using the following checks. A written report of any findings must be submitted to the Council and formally recorded in the minutes.

CONTROL TEST	TEST DONE	COMMENTS check documents and initial
Adoption of Financial Regulations and Standing Orders  Ensuring Financial Regulations and Standing Orders are reviewed and kept up to date whenever changes are made to the model documents	9/12/2025	Adopted at Annual Town Council meeting annually and reviewed via NALC and SALC for updates and brought to Town Council for agreement as and when needed.  RA
Adoption of Codes of Conduct for Members	9/12/2025	Code of conduct in place  RA
Declaration of Acceptance of Office	9/12/2025	File kept in office and new Councillors checked for this year.  RA
Procedures in place to record and monitor Members’ Interests and, where applicable, Gifts and Hospitality	9/12/2025	Declarations of interests are made via East Suffolk and linked on the website. No gifts are accepted.  RA

Council has reviewed the internal audit report and, where applicable, the external audit report, and has addressed any recommendations, comments, or required actions	9/12/2025	Internal and External reports circulated and discussed at the following Town council meeting and any actions noted.  RA
Annual review of council policies and, where applicable, the terms of reference for committees, sub-committees, and working groups	9/12/2025	Policies are brought to the Town Council reviewed and updated when required. Terms of Reference are updated at the Annual meeting.  RA
Annual review of contracts, as applicable	9/12/2025	Clerks contract is reviewed during appraisal at Finance and Personnel meeting  RA
Regular reporting on performance of Contractors (crucial for maintaining accountability, ensuring contract compliance, mitigating risks, and optimising performance)	9/12/2025	N/A
Annual review of risk and the adequacy of Insurance cover	9/12/2025	Insurance cover is checked annually and adjusted accordingly.  RA
Annual review of all risk assessments, including financial risks	9/12/2025	Financial Risk Assessment completed 9 <sup>th</sup> December 2025  RA
Regular review of financial records and proper procedures for approving expenditure	9/12/2025	Scribe accounting system in place and expenditure out with budget agreed and at Town Council meetings  RA
Regular bank reconciliation, independently reviewed	9/12/2025	Presented monthly at Town Council meetings and signed off accordingly  RA

Payments supported by invoices, authorised and minuted	09/12/2025	All payments brought to Town Council meeting and signed off by 2/4 signatories  RA
Recording in the minutes or appendices the exact powers under which expenditure is approved and ensuring S137 payments are listed separately	9/12/2025	Recorded in minutes with power and S137 payments have a separate budget line  RA
Regular inspection of income records to ensure income is correctly received, recorded and banked	9/12/2025	All receipts listed on Town Council minutes  RA
Regular checks to ensure the precept and, where applicable, CIL is recorded in the cash-book matches the District Council's notification	9/12/2025	Precept received bi annually and recorded and checked against ESC amounts.  CIL recorded and submitted annually  RA
Regular financial reporting to the Parish Council, including Receipts & Payments (or Income & Expenditure) and updates on reserves	9/12/2025	Bank Reconciliations show all accounts and Reserves are monitored  RA
Regular budget monitoring statements presented to the Parish Council	9/12/2025	Budget report submitted monthly and signed off at Town Council meetings  RA
VAT correctly accounted for: VAT payments identified, recorded and reclaimed in the cash-book and minuted	9/12/2025	VAT is claimed quarterly and Scribe produce a report for this  RA
Maintaining an up-to-date Asset Register	9/12/2025	Maintained on Scribe and Excel and reviewed annually  RA
Regular maintenance arrangement for physical assets (play areas, street furniture etc)	9/12/2025	Reviewed by East Suffolk Council  RA

<p>Staffing and Employment compliance: review of the following:</p> <ul style="list-style-type: none"> <li>• Contracts of employment for staff</li> <li>• Annual performance appraisal</li> <li>• Updating records to record changes in relevant legislation</li> <li>• PAYE/NIC properly operated by the Council as an employer</li> <li>• Pension Regulator re-declaration to be completed every three years</li> </ul>	9/12/2025	<p>Reviewed at Finance and Personnel November 2025</p> <p>Salc administer payroll Declared in July 2025</p>
<p>Compliance with Local Transparency Code in line with your council's turnover:</p> <ul style="list-style-type: none"> <li>• Annual turnover not exceeding £25,000</li> <li>• Annual Turnover between £25,000 and £200,000</li> <li>• Annual Turnover over £200,000</li> </ul> <p>(NALC advises that all Councils adhere to the Smaller Authorities Transparency Code as a minimum)</p>	9/12/2025	<p>Annual turnover between £25,000 and £200,000</p> <p>RA</p>
<p>Compliance with the DCLG 2014 Guide on Open &amp; Accountable Local Government, Part 4: Ensuring officer decisions are properly documented and made transparent</p>	9/12/2025	<p>Decisions documented on minutes</p> <p>RA</p>
<p>Verifying that the Council is compliant with the General Data Protection Regulation (GDPR) requirements and the following are in place:</p> <ul style="list-style-type: none"> <li>• Registered with the ICO</li> <li>• Audit / Impact Assessment</li> <li>• Privacy Notices</li> <li>• Procedures for dealing with Subject Access Requests</li> <li>• Procedure for dealing with Data breaches</li> <li>• Data Retention &amp; Disposal Policies</li> </ul>	9/12/2025	<p>ZA251641 Internal Audit by SALC Policies on website</p> <p>RA</p>

Minutes are properly numbered and paginated, with a master copy securely filed	9/12/2025	Minute book kept in office RA
The Council's website complies with WCAG 2.2 AA accessibility standards	9/12/2025	New contract in place with Suffolk Cloud to ensure compliance  RA
Email management: The council has a generic email account hosted on an authority owned domain	9/12/2025	All Councillors have gov.uk email addresses  RA
IT policy adopted	9/12/2025	Policy adopted October 2025  RA

Date of review of system of Internal Controls .....9<sup>th</sup> December 2025.....

Review of system of Internal Controls carried out by:

Name .....Rachael Arnott..... Signature .....Rachael Arnott.....

Report submitted to Council (date) .....7<sup>th</sup> January 2026.....

(minute reference) .....Item 10.....

Next review of system of Internal Controls due .....December 2026.....

Additional comments by reviewer