

**OVER STOWEY PARISH COUNCIL
STATEMENT OF INTERNAL CONTROL
FOR THE YEAR ENDING 31st March 2026**

1. Scope of Responsibility

Over Stowey Parish Council (the 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.

In discharging this overall responsibility, the Council is also 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 has appointed a Chair who is responsible for the smooth running of its meetings and for ensuring that all Council decisions are lawful. The Council reviews its obligations and objectives and budgets at the level of precept required for the following year at its December Meeting. The Council monitors progress against its aims and objectives at its meetings by receiving relevant reports from the Parish Clerk. The Council regularly reviews its internal controls, systems and procedures.

The Clerk/Responsible Financial Officer

The Council has appointed a Clerk of the Council who acts as the Council's advisor and administrator. The Clerk is the Council's Responsible Financial Officer and is responsible for administering the Council's finances. The Clerk is responsible for the day-to-day compliance with laws and regulations that the Council is subject to and for managing risks. The Clerk also ensures that the Council's procedures, control systems and policies are adhered to.

Payments

All payments are approved by Council. See appendix (i) 'Procedures for Payments and Online Banking Policy'

Risk Assessments/Risk Management

The Council carries out regular risk assessments in respect of its activities and regularly reviews its system and controls.

Internal Audit

The Council has appointed an independent Internal Auditor who reports to the Council on the adequacy of its systems and procedures, internal controls and risk management and its reviews of these matters. The effectiveness of internal audit is reviewed annually.

External Audit

Where appropriate, the Council's External Auditors submits an annual Certificate of Audit which is presented to the Council.

4. Review of Effectiveness

The Council has responsibility for conducting an annual review of the effectiveness of the system of internal control. The review of the effectiveness of the system of internal control is informed by the work of

- The Council
- The Clerk/RFO who has responsibility for the design and maintenance of the internal control environment and managing risk
- The independent Internal Auditor who reviews the Council's systems of internal control
- Where appropriate, the Council's External Auditors who make the final check using the Annual Return, a form completed and signed by the RFO, the Chairman and Internal Auditor

5. Significant Internal Control Issues

No significant internal control issues were identified during the 2024/2025 financial year.

Whilst no significant Internal Control issues were identified during the year, the Council strives for the continuous improvement of the system it had designed for internal control and will address any issues and weaknesses if raised and reported during the review process.

Chair:

Clerk of the Council:

Date:

Date:

Over Stowey Parish Council

Procedures for Payments including Online Banking

1. Payments

- 1.1. When invoices are received the Clerk will check that costs charged are as expected
- 1.2. If there is the option to pay by bank transfer, this will be used whenever possible
- 1.3. All payments due will be listed on the agenda for the next Parish Council meeting
- 1.4. Approval for the payment will be sought from the Parish Council before payment
- 1.5. If the payment is urgent and needs to be paid before the next meeting, the Clerk will refer to the Financial Regulations and take the appropriate course of action, which will then be reported and documented at the next Parish Council meeting

2. Second Authorisation for Online Payments

- 2.1. Once approval is gained from the Parish Council to make a payment online Cllr Barrow will authorise all payments once actioned by the Clerk *

3. Payment by Cheque

- 3.1. Where there is no option to pay by bank transfer, payment will be made by cheque in line with the Financial Regulations

4. Payment of Salary/Overtime/Expenses

- 4.1. The Clerks salary will be paid monthly by bank transfer and will be adjusted in line with national pay rises once approved by the Parish Council
- 4.2. The Clerk will receive a homeworking allowance of £26.00 per month
- 4.3. Expenses invoices must be presented at a Parish Council meeting for approval for payment. Once authorised, payment can be made by bank transfer and evidence retained of the authorisation
- 4.4. Overtime payments – as 4.3 above

These procedures will be reviewed on an annual basis.

Adopted by Over Stowey Parish Council (Date **tbc** at the March 18th 2026 meeting).

* The Bankline for Communities account which includes the secondary authorisation option has now been opened. The Clerk and authorised signatory have attempted to use this account for payments and have not been able to complete them. Whilst the Clerk investigates why this is the case the existing online account will continue to be used.

Any councillor can email the Clerk on an ad-hoc basis to request an update of the accounts to ensure no fraudulent activity has taken place. These will be sent to all councillors irrespective of who has requested them.

Updated March 2026. Reviewed and approved at the March 18th 2026 (TBC) meeting.