

DITTISHAM PARISH COUNCIL
Incorporating the Hamlet of Capton and the Manors of Bozomzeal and Coombe

May 2025 Statement of Internal Controls

1. Purpose

The Parish Council is required to review the effectiveness of its internal control systems on at least an annual basis. Note that what is required is a review of effectiveness and compliance with expected standards, not actual transactions. The latter are reviewed during the internal audit carried out by the Council's designated internal auditor, who reports both to the Council and to the Council's external auditor (via the Annual Return).

A system of internal control is designed to manage risk to a reasonable level rather than to eliminate all risks.

2. Scope of Responsibility

Dittisham Parish Council is responsible for ensuring that its business is conducted in accordance with the law and that public money is safeguarded, properly accounted for and used efficiently and effectively.

In discharging this responsibility, the Council is therefore responsible for employing an internal control system that facilitates the exercise of the Council's functions and manages risk.

3. The Internal Control Environment

The Council

- 3.2 The Council appoints a Chair who is responsible for the smooth running of meetings.
- 3.2 In its January meeting the Council reviews its obligations and objectives, approves a Budget for the following year, and sets the level of Precept for the following financial year.
- 3.3 The full Council meets on a monthly basis (normally excluding the month of August) and monitors progress against its aims and objectives at each meeting by receiving relevant reports from the Parish Clerk and Councillors with specific responsibilities.
- 3.4 The Council carries out annual reviews of its internal controls, systems, and procedures.

Clerk to the Council and Responsible Financial Officer

- 3.5 The Council has appointed a Clerk to 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 also responsible for the day to day compliance with laws and regulations that the Council is subject to and for managing risks. The Clerk works to ensure that the Council's procedures, control systems, and policies are adhered to.

Payments

- 3.6 Expenditure is normally authorised by the Council. The Parish Council's Financial Regulations allow the Clerk to authorise payment for any items up to a total of £1,000 in conjunction with Chairman of Council or Chairman of the appropriate committee. The Clerk may incur expenditure on behalf of the Council which in the Clerk's judgement is of such extreme urgency that it must be done at once subject to a limit of £1,000. The Clerk shall report such action to the Chair as soon as possible and to the Council as soon as practicable thereafter.
- 3.7 Two Members of the Council must approve every payment in online banking or by signing a cheque. Receipts and payments are reported to the Council meetings, with the exception of individual salary payments. Salary payments are made using payslips produced by the

external payroll service provider, the payments are authorised by Members, and the total paid is included in the regular Financial Reports. The internal auditor reviews a sample of receipts and payments, against the bank statements, invoices, and receipts.

Risk Assessment/ Risk Management

- 3.8 The Council has a Risk Register and reviews its appropriateness and effectiveness on an annual basis. It carries out Risk Assessments of new projects.
- 3.9 The Council has a Training and Development Policy and works actively to support the Clerk and Councillors to gain skills and knowledge required for their roles.

Internal Auditor

- 3.10 DPC has determined to its satisfaction that it has appointed an appropriately competent and independent internal auditor.
- 3.11 The Internal Auditor plans the Internal Audit to ensure compliance with audit submission timescales and also with the statutory public notice period. The Internal Auditor reports to the Parish Council and to the External Auditor.

4. Conclusion

That existing internal controls are effective and adequate for Dittisham Parish Council's needs at the current time.

Approved Dittisham Parish Council

Reviewed: 06/05/26