

Review of Effectiveness of Internal Control

A relevant authority must, each financial year— (a) conduct a review of the effectiveness of the system of internal control required by regulation 3¹

2024/2025: Reviewed at the Parish Council meeting on 13/3/25

	<u>Timing</u>	<u>Element of Internal Control</u>	<u>Action</u>	<u>Effectiveness: Yes/No/Action required</u>
1.	Annually	Risk Management Policy: Financial Regulation 2.2	The Council has agreed a Risk Assessment and a Risk Management Policy which are reviewed annually.	Effective: No action required.
2.	As required	Risk Assessment for any new piece of business Financial Regulation 2.3	Risk assessments for activities are undertaken as needed: <ul style="list-style-type: none"> - The Clerk undertook a risk assessment for the tree lighting which was a new event in 2024/2025. - The Clerk worked with Cllr Frost on a risk assessment for the litter pick. 	Effective: No action required.
3.	Annually	Review the effectiveness of internal control: Financial Regulation 2.4 and The Audit and Account Regulations 2024 s5.	The Clerk has created this document as a tool for the Council to review its effectiveness	Effective: No action required.

¹ The Audit and Account Regulations 2024 s5.

	<u>Timing</u>	<u>Element of Internal Control</u>	<u>Action</u>	<u>Effectiveness: Yes/No/Action required</u>
4.	Monthly	Ensure the prompt, accurate recording of financial transactions: Financial Regulation 2.5	The Clerk puts transactions into the Scribe financial package and submits a report to the Council monthly.	Effective: No action required.
5.	Monthly/Quarterly	Prevent and detect inaccuracy or fraud: Financial Regulation 2.5	<ul style="list-style-type: none"> - The Clerk inspects all invoices. - A councillor inspects/signs all invoices. - Two councillors approve all financial transactions. - A councillor carries out financial checks quarterly. 	Effective: No action required.
6.	Ongoing	Allow reconstitution of old records: Financial Regulation 2.5	<ul style="list-style-type: none"> - The Council has OneDrive and documents are backed up here. - The Clerk backs up documents weekly on the external hard drive. - The Clerk has given a list of passwords in a sealed envelope to the Chairman in the event of emergency need. 	Effective: No action required.
7.	Annually	Identify the duties of officers dealing with transactions: Financial Regulation 2.5	The bank mandate is reviewed annually or as needed.	Effective: No action required.

	<u>Timing</u>	<u>Element of Internal Control</u>	<u>Action</u>	<u>Effectiveness: Yes/No/Action required</u>
8.	Annually	Ensure division of responsibilities: Financial Regulation 2.5	Councillor responsibilities are reviewed annually. The Clerk's job description is reviewed by the Staffing Committee with any changes being reported to the Council.	Effective: No action required.
9.	Quarterly	Councillor to check the bank statements, reconciliations: Financial Regulation 2.6	A councillor has been appointed to carry out quarterly financial checks.	Effective: No action required.
10.	Weekly	Regular backup copies shall be made of records: Financial Regulation 2.7	See number 6 above	Effective: No action required.
10.	Annually	Internal Audit of the Councils Accountability and Governance	The Council has appointed an internal auditor for its 2024/2025 accounts.	Effective: No action required.
11.	Annually	Actions from Annual Governance and Accountability Return (AGAR)	<ul style="list-style-type: none"> - The Clerk reviews actions from the Internal Audit and presents them to the Council for consideration. - The Clerk reviews actions from the External Audit and presents to the Council for consideration 	Effective: No action required.