



SILCHESTER PARISH COUNCIL

Member of the Hampshire Association of Local Councils

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Statement of internal control

1. Introduction

Silchester Parish 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 as well as being 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 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 ongoing process designed to:

- a) identify and prioritise the risks to the achievement of the Council's policies, aims and objectives
- b) evaluate the likelihood of those risks being realised and the impact should they be realised
- c) manage them efficiently, effectively and economically.

3 The Council's Internal Controls

i) Decisions

The Council has elected a Chair who is responsible for the smooth running of meetings and appointed a Parish Clerk to advise the Council for ensuring that all Council decisions are lawful. The Parish Clerk is also the Responsible Financial Officer.

ii) Responsibility

The Parish Council meets at least quarterly and reviews and recommends all SPC's financial matters.

The Council carries out regular reviews of its internal controls, systems and procedures.

The council carries out regular reviews of the relevant budget codes and recommends budget provision in line with their service provision and strategic aims.

The full Parish Council is responsible for reviewing and prioritising any capital projects and ensuring appropriate guidance, oversight and strategic direction are obtained.

iii) Budgets and Precepts

SPC reviews its obligations, objectives and projects before determining the level of precept and individual budgets for the following financial year. All Councillors are invited

to a budget workshop and the full council reviews the draft budget before it is agreed at a Full Council meeting.

iv) Management of Financial Records

SPC employs a Parish Clerk who acts as the Responsible Financial Officer where specified in law. The Parish Clerk undertakes appropriate training and is responsible for advising the Council, processing payments and preparing financial records.

The Parish Clerk is responsible for managing Rialtas, SPC's chosen accounts program, which is used to record payments, manage SPC's budgets, generate reports, reconcile accounts, complete the end of year audit papers and to submit VAT returns to HMRC.

v) Payments

In most cases, invoices are input into Rialtas and a monthly Payments Listing presented to full Council for decision before payments are made or approval of payment made that have been previously agreed and minuted. Where urgent payments are required to meet contractual obligations, the Clerk may seek approval from signatories by email and payments are reported to the next available meeting.

Payments are made by BACS from SPC's main current account, Unity Trust. Payments are first set up by the Parish Clerk and then authorised by two Councillors with signatory rights. SPC has no less than 3 and no more than 5 Councillors with approval rights who are agreed at each annual council meeting. The councillors do not approve any payments in which they may have an interest.

The Clerk is issued with a Multipay credit card for purchases where suppliers are unable to issue an invoice. The item limit of £250 and total credit limit of £500 is agreed by the Full Council. SPC has agreed a policy not to accept cash payments. No cash is stored in the premises and no member of staff is expected to handle or transport cash.

vi) Bank Reconciliations

The Parish Clerk carries out monthly bank reconciliations on all accounts and these are reported to the full council monthly, then countersigned by a councillor who is not a bank signatory or other councillor as agreed by resolution.

vii) The Council as an Employer

The full council are responsible for monitoring the staffing budget including recommending the Clerk's salary.

The Parish Clerk is responsible for determining salary levels for other staff in line with budgets and in consultation with the full council.

At least two references are obtained for all staff appointments.

SPC is registered with HMRC and uses a payroll company (DCK Payroll services) to calculate payments. Monthly salary payments are included on the monthly Payments Listing and payments processed by BACS.

Staff may reclaim any purchases made on the Council's behalf, subject to the purchase having been previously been agreed by an allocated budget.

Staff and Councillors may claim reasonable and justifiable expenses incurred in line with SPC's policies on claiming expenses, including as a result of travelling to meetings/training/events which have been agreed by the Clerk or Chair, as line manager:

- For cars - 55p per mile up to 10,000 mile.

2 • Meal allowance: up to £10.00 per day and up to £25.00 per 24 hour period when an overnight stay is required.

Expense reclaim forms are countersigned by the Parish Clerk or the Chair of the Council.

viii) Management of Risk

SPC has a Council Risk Assessment which is reviewed and agreed by full Council every year.

SPC's insurance cover is provided by Hiscox Ltd via Gallagher insurance services which is reviewed annually to ensure adequate cover. An up-to-date asset register is maintained alongside this.

SPC appoints an independent Internal Auditor, Do The Numbers, who reports to the Council on the adequacy of its: financial records, procedures, systems, internal control and management of risk. This appointment is reviewed and agreed annually.

SPC is subject to an annual, external, Intermediate Audit Review which is undertaken by the Council's External Auditors, BDO Ltd.

Review Date	Point	Changes made
<i>8th July 2026</i>	<i>Whole policy</i>	<i>Policy written and adopted</i>