



TATWORTH & FORTON PARISH COUNCIL

STATEMENT OF INTERNAL CONTROL FOR THE YEAR ENDING 31 MARCH 2027

Approved Finance Committee
24th September 2026
Minute No 47/26

Adopted by Full Council
on 1st October 2026
Minute No 189/26

SCOPE OF RESPONSIBILITY

Tatworth and Forton 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 as required by Section 2 of the Annual Return – Annual Governance Statement.

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 ongoing 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.

Identifying and assessing risks:

The authority identifies, assesses and records risks associated with actions and decisions it has taken or considered taking during the year that could have financial or reputational consequences in accordance with Assertion 5, Section 1 of the AGAR.

THE INTERNAL CONTROL ENVIRONMENT

The Council:

The Council has appointed a Chairman, who is responsible for the running of meetings. At a Parish Council, the responsibility for ensuring that decisions are lawful ultimately lies with the Council as a whole, not solely with the Chairman. The Chairman's authority is purely procedural not executive, and their primary role is to preside over a meeting and manage it. However, the Proper Officer has a statutory duty to advise the Council on the lawfulness of its actions. The Council reviews its obligations and objectives and approves budgets and sets the level of precept at a full Council meeting in the fourth Quarter of the financial year. The Full Council meets at least four times each year and monitors progress against its aims and objectives and actions to achieve them at each meeting. The Council carries out regular reviews of its internal controls, systems and procedures.

Proper Officer to the Council/Responsible Financial Officer:

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

Payments:

All payments are reported to the Full Council on a monthly basis. The Councillors confirm that each payment has been authorised by the Council. All payments follow a two-step process. Step one, the payment is uploaded by one Councillor (signatory) and step 2 after

the meeting, the payment is then reviewed and approved by a different Councillor (signatory) via Unity Trust Bank internet Banking. Other transactions may include cheques which require two signatures. Any payments made to businesses overseas also require two signatures. Tatworth and Forton Parish Council has seven signatories to ensure business continuity and that there is no perceived political bias.

The following information can be found under Section 6 of Tatworth and Forton Parish Council's Financial Regulations document:

Banking arrangements and authorisation of payments:

The council's banking arrangements, including the bank mandate, shall be made by the RFO and authorised by the council; banking arrangements shall not be delegated to a committee. The council has resolved to bank with Unity Trust Bank. The arrangements shall be reviewed annually for security and efficiency.

The council must have safe and efficient arrangements for making payments, to safeguard against the possibility of fraud or error. Wherever possible, more than one person should be involved in any payment, for example by dual online authorisation or dual cheque signing. Even where a purchase has been authorised, the payment must also be authorised and only authorised payments shall be approved or signed to allow the funds to leave the council's bank.

All invoices for payment should be examined for arithmetical accuracy, analysed to the appropriate expenditure heading and verified to confirm that the work, goods or services were received, checked and represent expenditure previously authorised by the council before being certified by the RFO.

Personal payments (including salaries, wages, expenses and any payment made in relation to the termination of employment) may be summarised to avoid disclosing any personal information.

All payments shall be made by online banking or cheque, in accordance with a resolution of the council unless the council resolves to use a different payment method.

For each financial year the RFO may draw up a schedule of regular payments due in relation to a continuing contract or obligation (such as Salaries, PAYE, National Insurance, pension contributions, rent, rates, regular maintenance contracts and similar items), which the council may authorise in advance for the year}.

A copy of this schedule of regular payments shall be signed by two members on each and every occasion when payment is made - to reduce the risk of duplicate payments.

A list of such payments shall be reported to the next appropriate meeting of the council for information only.

The Clerk and RFO shall have delegated authority to authorise payments only in the following circumstances:

- any payments of up to £500 excluding VAT, within an agreed budget.

- payments of up to £2,000 excluding VAT in cases of serious risk to the delivery of council services or to public safety on council premises.

any payment necessary to avoid a charge under the Late Payment of Commercial Debts (Interest) Act 1998 or to comply with contractual terms, where the due date for payment is before the next scheduled meeting of the council, where the Clerk certify that there is no dispute or other reason to delay payment, provided that a list of such payments shall be submitted to the next appropriate meeting of council or finance committee.

Fund transfers within the councils banking arrangements up to the sum of £10,000, provided that a list of such payments shall be submitted to the next appropriate meeting of council or finance committee.

The RFO shall present a schedule of payments requiring authorisation, forming part of the agenda for the meeting, together with the relevant invoices, to the council. The council shall review the schedule for compliance and, having satisfied itself, shall authorise payment by resolution. The authorised schedule shall be initialled immediately below the last item by the person chairing the meeting. A detailed list of all payments shall be disclosed within or as an attachment to the minutes of that meeting.

Income:

All income is received and banked in the Council's name in a timely manner and reported to the Council at least quarterly.

Risk Assessments / Risk Management:

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

Internal Audit:

The Council has appointed an Independent Internal Auditor who reports to the Council on the adequacy of its:

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

Reviews:

The effectiveness of the internal audit system is reviewed annually.

External Audit:

The Council's External Auditors, PKF Littlejohn LLP, submit an annual Certificate of Audit, which is presented to the Council.

REVIEW OF EFFECTIVENESS

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

- The Full Council;
- The Proper Officer to the Council/Responsible Financial Officer who has responsibility for the development and maintenance of the internal control environment and managing risks;
- The independent Internal Auditor who reviews The Council's system of internal control;
- The Council's External Auditors, make the final check using the Annual Return, a form completed and signed by the Responsible Financial Officer, the Chairman and the Internal Auditor, and issue an annual audit certificate; The External Auditors for 2026/2027 will be PKF Littlejohn LLP. There are no significant issues that are raised during the year.

SIGNIFICANT INTERNAL CONTROL ISSUES

No significant internal control issues were identified during the financial year ended 2026. The Internal Auditor in their report for the financial year ending 31 March 2026; made the following recommendations: To make a Statement of Internal Control. Whilst no significant internal control issues were identified during the year, the Council strives for the continuous improvement of the system it has adopted for internal control and has addressed any minor issues and weaknesses raised and reported during the review process.

EXTERNAL AUDIT FINDING

The External Auditor in the 2025/26 certificate stated that:

On the basis of our review of Sections 1 and 2 of the Annual Governance and Accountability Return (AGAR), in our opinion the information in Sections 1 and 2 of the AGAR is in accordance with Proper Practices and no other matters have come to our attention giving cause for concern that relevant legislation and regularly requirements have not been met.

Please see below.

Other matters not affecting our opinion which we draw to the attention of the authority:

None.