

**BROADCLYST PARISH COUNCIL
STATEMENT ON INTERNAL CONTROL
FOR THE YEAR ENDING 31 MARCH 2026**

1. SCOPE OF RESPONSIBILITY

Broadclyst Parish Council is a local authority funded largely by public money; it 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 ongoing process designed to:

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

The system of internal control has been in place at the Council for the year ending 31 March 2026 and up to the date of approval of the annual report and accounts and accords with proper practice as set out in the Practitioners' Guide 2025, Governance and Accountability for smaller authorities in England

3. THE COUNCIL'S INTERNAL CONTROLS

3.1. The Council

The Council has elected a chairman who is responsible for the smooth running of meetings. The Council reviews its obligations and objectives and approved a budget of £17,238 income and £481,184 expenditure for the financial year 2025/06 at its meeting held on 02/12/2024 (Minute ref: 24/170). This meeting of the Council approved the balancing precept demand for the 2025/26 year at £463,946 (Minute ref: 24/171).

The Council's Finance Committee monitors progress against objectives, financial systems and procedures, budgetary control and carries out regular reviews of financial matters. It makes recommendations to the full Council. Minutes are circulated to all Members of the Council and are published on the Council's website.

The full Council meets on a monthly basis (alternate first Monday save for bank holidays when it meets the following Monday) and receives the Minutes of all committees and ratifies the decisions therein. The Council also monitors progress by receiving relevant reports from Council, Committees, Councillors, the Parish Clerk & Responsible Finance Officer, and its Officers.

The Council met its statutory requirement for the number of meetings in the year¹

No expenditure may be incurred which cannot be met from the amount provided in the appropriate Committee revenue budget unless a virement has been approved by The Council. The Proper Officer may incur expenditure on behalf of the Council which is necessary to carry out any repair, replacements or other work which is of such extreme urgency that it must be done at once, whether or not there is any budgetary provision for the expenditure, subject to a limit of £5,000. The Clerk shall report the action to the appropriate Committee or Council as soon as practicable thereafter.

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

¹ LGA 1972, Schedule 12 (8) (1)

3.2. Clerk to the Council / Responsible Finance Officer

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 the management and administration of the Council's finances. The Clerk is responsible for advising on the day-to-day compliance with laws and regulations that the Council is subject to and for managing risks. The Clerk also provides advice to help the Council ensure that its procedures, control systems and policies are adhered to.

3.3. Payments

3.3.1. Authorisation: In accordance with Council's adopted Financial Regulations, all expenditure is authorised by the Council or by a Committee having delegated authority, or by the Clerk in an emergency after consultation with the appropriate Chairman.

3.3.2. Recording/reporting: All payments and receipts are entered into the Council's Rialtas Omega Accounting System. All receipts are reported to the Council. A copy of all payments is kept with the invoices on a month-by-month basis. The bank is reconciled monthly.

3.3.3. Method: All payments are made by BACS or direct debit. The Council has two Standing Orders set up on its accounts for regular payment; one for storage and for working from home allowance. The signatories check each order for payment against the original relevant invoice, signing the payment schedule once approved. A third-party check is later made against the original relevant bank statement by a non-authorising Member.

3.3.4. Mandate: Two Members of the Council approve every BACS payment, one at the time of payment and a second as a third-party check.

3.3.5. Reconciliation: A non-signatory Councillor checks the bank reconciliation against the Council's original bank account statements; the original bank statements are presented to the Council.

3.3.6. Contracts

Procedures as to contracts are laid down in the Council's Standing Orders and Financial Regulations. The Council oversees all contract procedures.

3.4. Internal Audit

The Council has appointed Griffins Accountants, Exeter as its Internal Auditor for 2025/26²; a two-stage audit, reports are presented to the Council on the adequacy of its records, procedures, systems, internal controls, and risk management.

The effectiveness of the internal audit has been reviewed in January 2026 with a report submitted to the Finance & Governance Committee (Min Ref F26/011i).

3.5. External Audit

The Council's appointed external auditors for 2025/26 year is PKF Littlejohn LLP. Following completion of the External Audit, the annual Certificate of Audit is provided, which is presented to the Council and published on its website and noticeboards.

3.6. Digital and Data Compliance (AGS Assertion 10)

The Council has appropriate measures in place to ensure digital and data compliance. Staff and Members use council-owned email accounts under a secure .org domain, supporting confidentiality, accountability and public trust.

Policies are in place for IT use, data protection and freedom of information; a Data Protection Officer has not been appointed (see below). The Council maintains a website accessibility statement and follows the Transparency Code for Smaller Authorities as good practice.

These controls ensure compliance with Assertion 10 of the Annual Governance Statement.

3.7. Data Protection Officer

The Parish Council has considered its obligations under Article 37 of the UK GDPR in relation to the appointment of a Data Protection Officer (DPO).

² As part of a 3-year contract

Having reviewed the nature, scale, and purposes of the personal data processed by the Council, it is satisfied that it does not carry out large-scale processing of personal data, nor regular or systematic monitoring of individuals, and therefore is not legally required to appoint a DPO. The Council notes the guidance of the Information Commissioner's Office that appointment of a DPO is good practice but not mandatory for all smaller authorities.

Responsibility for day-to-day data protection compliance is therefore allocated to the Clerk, acting in an officer capacity and reporting to the Council as a corporate body via the Finance & Governance Committee.

4. REVIEW OF EFFECTIVENESS

Broadclyst Parish Council has responsibility for conducting an annual review of the effectiveness of its system of internal controls.

The review of the effectiveness of the system of internal controls is monitored and informed by:

- the Clerk to the Council/Responsible Financial Officer;
- the work of Officers within the Council reporting to the Parish Clerk (the Responsible Finance Officer);
- the work of the Independent Internal Auditor;
- the External Auditors through the Annual Return and their annual letter;
- those elected Members with designated responsibility within this area;
- the number of significant issues that are raised during the year.

5. SIGNIFICANT INTERNAL CONTROL ISSUES

Any concerns about the effectiveness of the system of internal control are investigated and action(s) taken as appropriate.

No significant internal control issues were identified during the 2025/26 financial year.

The Parish Council strives for the continuous improvement of the system it has adopted for internal control and will address any issues and weaknesses raised and reported during the review process.

We are satisfied on all accounts that our arrangements are effective and meet expected standards.

The Finance Committee approved the Statement of Internal Control at its meeting on 9th February 2026.

Signed Date

(Chairman Broadclyst Parish Council)

Signed Date

(Parish Clerk and Responsible Finance Officer)