WELLINGTON TOWN COUNCIL
STATEMENT OF INTERNAL CONTROL
FOR THE YEAR ENDING 31st MARCH 2026

1. Scope of Responsibility

Wellington Town 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 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 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.

3. The Internal Control Environment

3.1. The Council

The Council has appointed a Mayor, who is the Chairman of the Council and is responsible for ensuring that meetings are run in accordance with legislative requirements. The Council reviews its obligations and objectives and prepares a budget at its December or January meeting. This enables the determination of the level of precept required for the following financial year. The Council monitors progress against its aims and objectives at its meetings by receiving relevant reports from the Chief Executive and the RFO. The Council regularly reviews its internal controls, its policies, systems and procedures.

3.2. The Chief Executive/Responsible Financial Officer

The Council has appointed a Chief Executive of the Council who acts as the Council's Proper Officer. The Council has also appointed the role of Democratic Services and Finance Manager (DSFM) which encompasses the responsibly of Responsible Financial Officer who is responsible for administering the Council's finances. The Chief Executive is responsible for the day-to-day compliance with laws and regulations that the Council is subject to and for managing risks. They also ensure that the Council's procedures, control systems and policies are adhered to with the assistance of the DSFM.

3.3. Payments

All payments are subject to a three signature mandate, two Councillors and one Officer. Electronic payments are set up by an officer within the Lloyds online banking system and approval from two member signatories are required to release the payment. The Council has some direct debit and standing order payments, the set up of which follow the same mandate requirements.

Some members of staff have been issued with debit cards, where appropriate. Staff a re required to sign a suer agreement setting out the boundaries for it's use. Usage is monitored by the RFO.

At each of its meetings, the Policy & Finance Committee reviews:

- Items of expenditure over £250,
- A cumulative supplier report where multiple payments total more than £500,
- Most recent bank reconciliation, and
- Budget spending for that financial year.

These reports are complied by the RFO for security by Councillors.

3.4. Risk Management

The Council actively reviews its systems and controls and associated risk. The risk management scheme details risk to all areas of Council operations with the mitigations and supporting documents in place to reduce risks to their practicable minimum. The scheme is reviewed annually.

3.5. Risk Assessment

In order that it meets all its obligations in relation to Health & Safety, the Council employs a specialist consultant to assist in carrying out appropriate risk assessments. Where activities are carried out with partner agencies, it ensures that each organisation is working to a shared risk assessment.

3.6. Internal Audit

The Council appoints an independent Internal Auditor who will report to the Council on the adequacy of its systems and procedures, internal controls and risk management and its reviews of these matters. The effectiveness of internal audit is reviewed annually, and recommendations considered and enacted where deemed appropriate.

The Council have appointed Kevin Rose of IAC as its internal Auditor who carries out two visits per year and produces reports for consideration by the Council.

3.7. External Audit

Each financial year, the Council prepares the Annual Governance and Accountability Return which is submitted to the Council's External Auditor who, in turn, issue an annual Certificate of Audit.

4. Review of Effectiveness

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

- The Council
- The Chief Executive and the DSFM who have responsibility for the design and maintenance of the internal control environment and managing risk
- The independent Internal Auditor who reviews the Council's systems of internal control

- The Council's External Auditors who make the final check using the Annual Return, a form completed and signed by the RFO, the Chairman and Internal Auditor

5. Significant Internal Control Issues

The Council strives for the continuous improvement of the system it has designed for internal control and is committed to addressing all of the minor issues and weaknesses raised and reported during the review process.

6. Related Documents

The Council has implemented the following documents to which these internal controls operate within. Each one is reviewed annually.

Standing Orders
Financial Regulations
Scheme of Delegation