

## PALGRAVE PARISH COUNCIL

### INTERNAL CONTROL REPORT October 2023

The Accounts & Audit (England) Regulations 2015 aims to strengthen governance and accountability through requirements related to internal control and internal audit. Whilst the Parish Council has reviewed the effectiveness of the internal audit (independence, competence, proportionate and scope), it has a requirement levied on it to ensure that its financial management is adequate and effective and that it has a sound system of internal control:

'The regulations require active participation by members in providing positive assurance to the electors of their stewardship of public money. The framework of accountability is risk-based i.e. level of control and management must be appropriate to the risk involved. The Council must determine the most appropriate method of internal control.... care should be taken to ensure that internal control tests are proportionate and relevant and that they are neither seen as, nor intended as, undue interference in the RFO's day to day management of financial affairs.'

As part of its internal control, the Parish Council has appointed a non-signatory Councillor to conduct a review of the system of internal control via the following tests on an annual basis with a written report of any findings to be submitted to the Council and minuted as received.

CONTROL TEST	TEST DONE	COMMENTS – check documents & initial
	Yes or No	
Ensuring an up-to-date Register of Assets	Yes	Reviewed in March 2023 for y/e 31.3.23 ✓
Regular maintenance arrangement for physical assets	Yes	Inspected annually with continuous updated worksheet and regular checks ✓
Annual review of risk and the adequacy of Insurance cover	Yes	Assets insured as per Asset Schedule and reviewed annually ✓
Annual review of financial risk	Yes	Reviewed annually & signed by Chair 31/3/23 ✓
Awareness of Standing Orders and Financial regulations	Yes	Reviewed annually and updated before 31 March Yearly before 31/3 ✓
Adoption of Financial and Standing Orders	Yes	Reviewed annually and updated before 31 March Annually ✓
Regular reporting on performance by contractors	Yes	Continuous liaison with contractor and Clerk reports back when appropriate excite ✓
Annual review of contracts (if appropriate)	Yes	Three year contracts agreed and reviewed then with continuous liaison with contractor ✓
Regular bank reconciliation, independently reviewed	Yes	Checked by a different Councillor each month at the regular meeting Monthly ✓
Regular scrutiny of financial records and proper arrangements for the approval of expenditure	Yes	All approved at Monthly PC Meeting & minuted Monthly. Signatures ✓
Recording in the accounts the minutes the precise powers under which expenditure is being approved	Yes	Recorded monthly in the accounts spreadsheet Caroline Spread Sheet ✓
Payments supported by invoices, authorised and minuted	Yes	Recorded in the minutes each month ✓
Regular scrutiny of income records to ensure income is correctly received, recorded and banked	Yes	Checked monthly against the bank statement ✓
Scrutiny to ensure precept recorded in the cashbook agrees to BMSDC notification	Yes	Checked against bank statement Accounts ✓
Contracts of employment in place for staff	Yes	Reviewed annually at Personnel meeting ✓
Contract annually reviewed	Yes	
Records updated to reflect relevant legislation	Yes	
PAYE/NIC properly operated by the Council as an employer	Yes	Clerk uses HMRC Basic PAYE tools program Annually ✓

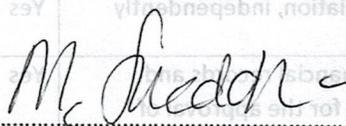
VAT payments identified, recorded and re-claimed in the accounts	Yes	Reclaimed annually. Last claim August 2023	✓
Regular financial reporting to Parish Council	Yes	Accounts spreadsheet sent to all monthly	✓
Regular budget monitoring statements as re-ported to Parish Council	Yes	Actuals v Budget included in the monthly accounts sent to all Councillors	✓
Compliance with DCLG Guide <i>Open &amp; Accountable Local Government 2014</i> , Part 4: Officer Decision Reports	Yes		✓
Compliance with Local Transparency Code Of 2014: Items of expenditure incurred over £500	Yes	All items of expenditure are listed in the monthly minutes	✓
Compliance with Data Protection Legislation – Council registered as a Data Controller	Yes	Paid annually by direct debit £35.00	✓
Compliance with General Data Protection Regulations:	Yes	Since Brexit, UK GDPR used	✓
<ul style="list-style-type: none"> <li>• Privacy Notices</li> <li>• Procedures for dealing with Subject Access Requests</li> <li>• Procedure for dealing with Data breaches</li> <li>• Data Retention &amp; Disposal Policies</li> </ul>	Yes Yes Yes Yes	All on website	✓
Minutes properly numbered and paginated with a master copy kept for safe-keeping	Yes	Monthly, all referenced.	✓
Procedures in place for recording and monitoring Members' Interests and Gifts of Hospitality	Yes		✓
Adoption of Codes of Conduct for Members	Yes	The new code was adopted and minuted in 2022	✓
Declaration of Acceptance of Office	Yes		✓

Date of review of system of Internal Controls: 12 October 2023

Review of system of Internal Controls carried out by:

Name: Marion Sneddon

Signature.....



Report submitted to Council Date: 12 October 2023

Additional comments by reviewer:

Recorded in the minutes each month	Yes	Payments supported by invoices, authorised and minuted	✓
Checked monthly against the bank statement	Yes	Regular scrutiny of income records to ensure income is correctly received, recorded and banked	✓
Checked against bank statement	Yes	Scrutiny to ensure precept recorded in the cashbook agrees to BMSDC notification	✓
Reviewed annually at Personnel meeting	Yes	Contracts of employment in place for staff	✓
Clerk uses HMRC Basic PAYE tools program	Yes	Contract annually reviewed	✓
	Yes	Records updated to reflect relevant legislation	✓
	Yes	PAYE/NIC property operated by the Council as an employer	✓