

PALGRAVE PARISH COUNCIL

INTERNAL CONTROL REPORT 2022-2023

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 bi-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 bi-annually with final update March '23 for y/ending 31.3.23 <i>9/13/23 meeting</i>
Regular maintenance arrangement for physical assets	Yes	Inspected twice yearly <i>still on going</i>
Annual review of risk and the adequacy of Insurance cover	Yes	Assets insured as per Asset Schedule <i>9/13/23</i>
Annual review of financial risk	Yes	Reviewed annually & signed by Chair <i>9/13/23</i>
Awareness of Standing Orders and Financial regulations	Yes	Reviewed annually and updated before 31 March <i>Sept 22</i>
Adoption of Financial and Standing Orders	Yes	Amended and reviewed June 2021. Reviewed annually in March each year before year end. <i>Sept 22</i>
Regular reporting on performance by contractors	Yes	Clerk reports back regularly at meetings
Annual review of contracts (if appropriate)	Yes	Three-year contracts agreed and reviewed then <i>Dec 22</i>
Regular bank reconciliation, independently reviewed	Yes	Checked by a different Councillor each month <i>Monthly (meetings)</i>
Regular scrutiny of financial records and proper arrangements for the approval of expenditure	Yes	All approved at Monthly PC Meeting & minuted <i>Accounts Spreadsheet Laptop</i>
Recording in the accounts the minutes reference and the precise powers under which expenditure is being approved	Yes	Recorded monthly in the accounts spreadsheet <i>Monthly</i>
Payments supported by invoices, authorised and minuted	Yes	Recorded in the minutes each month <i>Monthly</i>
Regular scrutiny of income records to ensure income is correctly received, recorded and banked	Yes	Checked monthly against the bank statement <i>Minuted monthly</i>
Scrutiny to ensure precept recorded in the cashbook agrees to BMSDC notification	Yes	Checked against the bank statement
Contracts of employment in place for staff	Yes	<i>Review November 22</i>
Contract annually reviewed	Yes	Reviewed annually at Personnel meeting
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

VAT payments identified, recorded and re-claimed in the accounts	Yes	Reclaimed at least annually or more dependent on time and value of reclaim <i>once or twice a year</i>
Regular financial reporting to Parish Council	Yes	Accounts spreadsheet sent to all monthly
Regular budget monitoring statements as reported to Parish Council	Yes	Actuals v Budget included in the monthly accounts sent to all Councillors <i>monthly</i>
Compliance with DCLG Guide <i>Open & Accountable Local Government 2014, Part 4: Officer Decision Reports</i>	Yes	<i>Monthly</i>
Compliance with Local Transparency Code of 2014: Items of expenditure incurred over £500	Yes	<i>we comply</i> 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 and renewed <i>monthly</i>
Compliance with General Data Protection Regulations:	Yes	Since Brexit, UK GDPR used
• Privacy Notices	Yes	✓
• Procedures for dealing with Subject Access Requests	Yes	✓
• Procedure for dealing with Data breaches	Yes	✓
• Data Retention & Disposal Policies	Yes	✓
Minutes properly numbered and paginated with a master copy kept for safe-keeping	Yes	<i>Monthly all referenced</i>
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	✓ Records kept by the Clerk

Date of review of system of Internal Controls: ... March 2023

Review of system of Internal Controls carried out by:

Name: Marion Sneddon

Signature: *M. Sneddon*

Report submitted to Council

Date: 13 April 2023

Agenda item: 04.13... *03*

Next review of system of Internal Controls due in September 2023

Additional comments by reviewer:

Checked against the bank statement

Reviewed annually at Personnel meeting

Clerk uses HMRC Basic PAYE tools program