

## THURSTON PARISH COUNCIL

### INTERNAL CONTROL REVIEW – 2023-2024

The Accounts & Audit (Amendment) (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 ie 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 Councillor to conduct a review of the system of internal control via the following tests on a quarterly basis with a written report of any findings to be submitted to the Council and minuted as received. The tests carried out during the year should enable the Council to respond in the affirmation to Assertion 2 of the Annual Governance and Accountability Return “We maintained an adequate system of internal control, including measures designed to prevent and detect fraud and corruption and reviewed its effectiveness”.

CONTROL TEST	TEST DONE Yes/No	AGAR Audit Objective	COMMENTS – check documents & initial
Asset Register: <ul style="list-style-type: none"> <li>ensuring up-to-date Register of Assets</li> <li>held in accordance with Proper Practices</li> <li>Annually reviewed</li> </ul>	Yes	H	Addition of: New Playground Safe matting at Thedwastre Park & Recreation Ground Double Litter Bin at Barton Road Large Dog Bin at Ixworth Road EV Charging Point at Recreation Ground See Comment 01
Regular maintenance arrangements for physical assets	Yes	H	Monthly Inspections Reported at LEC Meeting Brought back to full Council if required
Annual review of risk and adequacy of Insurance cover	Yes	C	Assets Insured as Asset Schedule Cyber Security renewed October 23 (backdated to July 23). Zurich Municipal renewed September 23
Annual review of Fidelity Guarantee and adequacy of cover	Yes	C	£500,000.00 Renewed with Zurich Municipal Sept 23. Insurance covers Key Personnel (Clerk).
Annual review of Financial Risk	Yes	C	P & R Committee to be Reviewed February 24
Annual review of Risk Strategy	Yes	C	P & R Committee to be Reviewed February 24
Annual review of Internal Controls	Yes	C	P & R Committee to be Reviewed February 24
Awareness of Standing Orders & Financial Regulations	Yes	C	To be Reviewed February 24 - New NALC Standing Orders still awaited
Annual review of Financial & Standing Orders	Yes	C	To be Reviewed February 24 - New NALC Regulations still awaited
Annual review of contracts (where appropriate)	Yes	B/J	
Regular reporting on performance by contractors	Yes	B/J	Reported Monthly
Numerical orders placed in accordance with Financial Regulations	Yes	B/J	Except for Office Stationery and small ancillary items

Regular scrutiny of financial records and proper arrangements for the approval of expenditure	Yes	B	All approved at monthly PC Meeting & authorised by Chair prior to payment
Recording in the appendices of the minutes the precise powers under which expenditure is being approved	N/A	B/C	General Power of Competence used for expenditure – criteria to used reconfirmed in May 2023.
Payments supported by invoices, authorised and minuted	Yes	B	
Scrutiny of internet bank payments including authorisation procedures	Yes	B	Internal bank practice operated as per the Internet Banking Policy
Scrutiny of grants awarded by the Council and declared in cashbook	Yes	B	As per Grants Policy
Scrutiny of income records to ensure income is correctly received, recorded and banked	Yes	E	Newsletter Separate Code – operation of account confirmed by Internal Auditor
Scrutiny of grants received by the Council and declared in cashbook	Yes	E	CIL £64,880.50 received October 23. £2000.00 Locality Budget received November 23 £1127.97 Cleansing Grant – Qtr 2 – received October 23
Monthly bank reconciliation reporting to Parish Council	Yes	I	At each relevant council meeting
Review of inter-account transfers by the RFO	Yes	I	Chair verifies and signs at each relevant council meeting
Reporting of inter-bank transfers at appropriate Parish Council Meetings	Yes	I	At each relevant meeting.
Bank Reconciliations periodically verified and signed off by a non-signatory Councillor	Yes	I	Yes and reported as having been done at each full council meeting.
Budget setting process in accordance with Proper Practices	Yes	D	Precept 2 <sup>nd</sup> instalment £76,460.00 - received October 23
Quarterly budget monitoring statements reported to Parish Council	Yes	D	Q2 reviewed at meeting 04 October23.
Scrutiny to ensure precept recorded in the cashbook agrees to MSDC notification	Yes	E	
Monthly reconciliation of Corporate Credit Card operated by the Clerk. Verification process in place	Yes	A	All statements checked to ensure VAT related invoices are in evidence. Statements signed off by Vice-Chair.
Contracts of employment in place for all staff	Yes	G	
Staff contracts annually reviewed	Yes	G	
Annual performance review for all staff	Yes	G	All staff reviews completed March 23. Pay awards approved at PC Meeting 01 November 23. Back dated to April 23
Records updated to reflect relevant legislation	Yes	G	
PAYE/NIC/Pension properly operated by the Council as an employer	Yes	G	Q2 of paid September 23 Q3 due January 24
Staff Details e.g. salary payments - held in a secure & appropriate manner	Yes	G	
VAT payments identified, recorded and reclaimed in the cashbook	Yes	A	VAT claim for July – September 23 £11,780.96 claimed and paid October 23
CIL reporting to Council in accordance with legislation	Yes	E/B	

CIL reporting to District in accordance with legislation	Yes	E/B	
CIL expenditure in accordance with legislation	Yes	E/B	
Compliance with 2014 Regulations: Officer Decision Reports	Yes		
Compliance with Local Transparency Code 2015: Quarterly: Items of expenditure over £500; requests for tender over £5,000; contracts awarded over £5,000. Annually: staff breakdown; contracts issued over £5,000; counter fraud work	Yes		Expenditure for £500+ for July - September on website. Contracts awarded August for EV Charging Point & Playground safe Matting completed & included in Asset Register
Compliance with Data Protection Legislation – Council registered as a Data Controller	Yes		Model Publication Scheme up to date
Compliance with General Data Protection Regulations: <ul style="list-style-type: none"> <li>Data Audit Impact Assessment completed for new projects</li> <li>Legal basis for processing data identified for new projects</li> <li>Annual review of GDPR policies</li> </ul>	Yes		Since BREXIT UK GDPR used  Data Audit Impact Assessment undertaken for the Food Parcel Project
Compliance with Website Accessibility Requirements: <ul style="list-style-type: none"> <li>Website Security Certificate</li> <li>Digital Accessibility</li> <li>Accessibility statement on website</li> </ul>	Yes		Council's Officers operate with .gov.uk email address. Each Councillor has dedicated Parish Council email addresses as held under the website domain name.
Minutes properly numbered or paginated with a master copy kept in for safekeeping	Yes		
Confidential minutes properly recorded, numbered or paginated with a master copy kept in a secure place.	Yes		
Procedures in place for recording and monitoring Members' Interests and Gifts of Hospitality	Yes		
Roles and Responsibilities of Councillors published on website	Yes		Updated New Chairman Elected for LEC Committee
Terms of Reference for Committees annually reviewed	Yes		Number of Committees & Quorums Reviewed & adopted at PC Meeting 01 Nov 23
Delegated Powers identified and implemented	Yes		Meeting 02 May 22 confirmed no change
Adoption of Codes of Conduct for Members	Yes		May 2022 – Model Code of Conduct 2020
Declaration of Acceptance of Office: <ul style="list-style-type: none"> <li>Completed</li> <li>Copy held</li> </ul>	Yes		
Register of Interests: <ul style="list-style-type: none"> <li>Completed</li> <li>Uploaded onto MSDC Website</li> </ul>	Yes		Councillors Cornel & Hay Resigned MSDS Informed & removed from website 2 vacancies for Councillors advertised

Date of review of system of Internal Controls 01 November 2023

Review of system of Internal Controls carried out by: Name B L Rainbow

Signature.....

Report submitted to Council: 06.12.23                      Agenda Item

Next review of system of Internal Controls due February 2024

Additional comments by reviewer

Comment 01:

Policy & Recourses meeting of 15 November 23 agreed revised format for Asset Register & method of valuation used.