

THURSTON PARISH COUNCIL

INTERNAL CONTROL - 2018

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 it’s 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.

CONTROL TEST	TEST DONE	COMMENTS – check documents & initial
	Yes or No	
Ensuring an up to date Register of Assets	Yes	Additional Lenovo Lap Top Added
Regular maintenance arrangement for physical assets	Yes	Monthly Inspection Reported at each PC Meeting
Annual review of risk and the adequacy of Insurance cover	Yes	In Order reviewed March 2018
Annual review of financial risk	Yes	In Order reviewed March 2018
Awareness of Standing Orders and Financial regulations	Yes	Financial Regulations current & up to date Standing Orders See Note 01
Adoption of Financial & Standing Orders	Yes	
Regular reporting on performance by contractors	Yes	Reported Monthly
Annual review of contracts (where appropriate)	Yes	
Regular bank reconciliation, independently reviewed	Yes	Reported at each PC Meeting
Regular scrutiny of financial records and proper arrangements for the approval of expenditure	Yes	At each PC Meeting
Recording in the minutes or appendices of the minutes the precise powers under which expenditure is being approved	No	Not required
Payments supported by invoices, authorised and minuted	Yes	
Regular scrutiny of income records to ensure income is correctly received, recorded and banked	Yes	Credit Card check Monthly Bank Reconciled Quarterly
Scrutiny to ensure precept recorded in the cashbook agrees to MSDC notification	Yes	Received 10April 18
Contracts of employment for staff	Yes	Clerk. Village Litter Picker
Contract annually reviewed	Yes	June. November

Updating records to record changes in relevant legislation	Yes	Pay Scales reviewed April 18
PAYE/NIC/Pension properly operated by the Council as an employer	Yes	Q1 Due July 18
VAT correctly accounted for VAT payments identified, recorded and reclaimed in the cashbook	Yes	Q4 Paid May18 Q1 Due July 18
Regular financial reporting to Parish Council	Yes	At each PC Meeting
Regular budget monitoring statements reported to Parish Council	Yes	At each PC Meeting
Compliance with 2014 Regulations: Officer Decision Reports	Yes	
Compliance with Local Transparency Code 2015: Items of expenditure incurred over £500	Yes	Q4 on Web Site Q1 Due July 18
Compliance with Data Protection Legislation – Council registered as a Data Controller	Yes	No requirement for DPO
Compliance with General Data Protection Requirements – what progress has Council made towards meeting such requirements	Yes	Privacy Notices/Data Policy/ Document Retention/SARS all issued See Note 02
Minutes properly numbered and paginated with a master copy kept in for safekeeping	Yes	Monthly PC Meetings
Procedures in place for recording and monitoring Members' Interests and Gifts of Hospitality	Yes	Monthly PC Meetings
Adoption of Codes of Conduct for Members	Yes	In 2014
Declaration of Acceptance of Office	Yes	Chairman & Vice Chairman May 2018

Date of review of system of Internal Controls: 31 May 2018

Review of system of Internal Controls carried out by:

Name: B L Rainbow

Report submitted to Council (date 6th June
(minute reference) 12e

Next review of system of Internal Controls due: August 2018

Additional comments by reviewer

Note 01 Standing Orders Ref L04-18 2018 Model Standing Orders amended

Note 02 Impact & Risk Assessments to be completed

Note 03 Section for CIL Receipts to be added to form