

## COMBS PARISH COUNCIL

### INTERNAL CONTROL REPORT

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 a regular basis with a written report of any findings to be submitted to the Council and minuted as received.

CONTROL TEST	TEST DONE [YES/NO/NOT APPLICABLE]	COMMENTS – CHECK DOCUMENTS AND INITIAL
<b>Administration and risk management</b>		
Up-to-date maintenance of register of assets	Yes	Held by Clerk
Regular maintenance arrangement for Physical assets	Yes	Routine assessment by councillors
Annual review of risk and the adequacy of Insurance cover	Yes	Cover recommended by SALC; since the approval of the risk assessment in April (on the website) there have been no unplanned risk-sensitive activities so far this year.
Annual review of financial risk	Yes	May Meeting, and finances reviewed each meeting
Awareness of standing orders and financial regulations	Yes	On Website – reviewed and approved at May 2023 meeting

CONTROL TEST	TEST DONE [YES/NO/NOT APPLICABLE]	COMMENTS – CHECK DOCUMENTS AND INITIAL
Adoption of financial and standing orders	Yes	On Website – reviewed and approved May 2023 meeting
<b>CONTRACT MANAGEMENT</b>		
Regular reporting on performance by contractors	Yes	Only contractors are for mowing cemetery lawn.
Annual review of contracts (as appropriate)	N/A	Mowing contract is below threshold for mandatory review but was reviewed in 2022 and remains unchanged for this year.
<b>BANKING AND BOOKKEEPING</b>		
Regular bank reconciliation, independently reviewed	Yes	Reviewed each meeting
Regular scrutiny of financial records and Proper arrangements for the approval of expenditure	Yes	Prepared by clerk, reviewed each month by two councillors
Recording in the minutes or appendices of the minutes the precise powers under which expenditure is being approved	Yes	Checked by councillors before approving each month's minutes
Payments supported by invoices, authorised and minuted	Yes	Checked by councillors before approving each month's minutes
Regular scrutiny of income records to ensure income is correctly received, recorded and banked	Yes	Checked by clerk, double checked by two councillors/chairman and reviewed by councillors each meeting
Scrutiny to ensure precept recorded in the cashbook agrees to District Council notification	Yes	Councillors check and acknowledge MSDC notification at subsequent monthly meeting and Chair checks cross reference to cashbook (i.e. 'Receipts Payments' tab in Accounts Worksheet.)
<b>EMPLOYMENT</b>		
Contracts of employment for staff	Yes	The only employee is the Parish Clerk whose contract reviewed by chair and minuted

CONTROL TEST	TEST DONE [YES/NO/NOT APPLICABLE]	COMMENTS – CHECK DOCUMENTS AND INITIAL
Contract annually reviewed	Yes	The Clerk is paid on an annual basis and the terms are reviewed when payment is being approved
Updating records to record changes in relevant legislation	Yes	As above – clerk’s contract is 7.5 hours/week
PAYE/NIC properly operated by the Council as an employer	Yes	Reviewed at time of approving pay cheque and HMRC cheque (a dedicated HMRC app is used for calculations).
<b>VAT</b>		
VAT correctly accounted for and transactions identified, recorded and reclaimed in the cashbook	Yes	Not collected until sufficient to be worthwhile (last collected 2022)
<b>FINANCIAL AND LEGAL</b>		
Regular financial reporting to parish council	Yes	Finances reviewed each meeting
Regular budget monitoring statements as reported to parish council	Yes	Budget analysis reviewed each meeting
Compliance with DCLG Guide Open & Accountable Local Government 2014, part 4:	N/A	There has been no delegation of officer powers
Officer decision reports		
Compliance with Local Transparency Code of 2014:	Yes	Details on website.
Items of expenditure incurred over £500		All expenditure recorded for publishing at year end.
Verifying that the council is compliant with the general data protection regulation requirements		
The following measures are in place:		
<ul style="list-style-type: none"> <li>• Audit / impact assessment</li> </ul>	Yes	On website (Data protection Policy)
Privacy notices	Yes	On website (Data protection Policy)

CONTROL TEST	TEST DONE [YES/NO/NOT APPLICABLE]	COMMENTS – CHECK DOCUMENTS AND INITIAL
Procedures for dealing with subject access requests	Yes	On website (Subject Access Policy etc)
Procedure for dealing with data breaches	Yes	On website (Data Breach Policy & Procedure)
Data retention & disposal policies	Yes	The scant amount of data held (regarding cemetery) must be held indefinitely. Any other data is monitored in accordance with the Data Protection Policy.
Minutes properly numbered and paginated with a master copy kept in for safekeeping	Yes	Stored by clerk until archived in a safe offsite. Digital copies on website.
<b>COUNCILLOR'S INTERESTS</b>		
Procedures in place for recording and monitoring members' interests and gifts of hospitality	Yes	Noted where necessary in minutes and in interests book
<b>COUNCILLORS' DUTIES</b>		
Adoption of codes of conduct for members	Yes	2020 version adopted May 2022 and held on website
Declaration of acceptance of office	Yes	Declarations held by clerk

Declarations	
Date of review of system of Internal Controls:	10/03/24
Review of system of Internal Controls carried out by:	
Name: Tony Kitson	Signature: 
Report submitted to Council	11 <sup>th</sup> March 2024
Next review of system of Internal Controls due:	February 2025
Additional comments by reviewer:	None