

# ELMSWELL PARISH COUNCIL

Appendix 'F'

to 18.11.2024.

## INTERNAL CONTROL REPORT 2024

The Accounts & Audit (England) Regulations 2015, and as since variously amended, aims to strengthen governance and accountability through requirements related to internal control and internal audit.

The Parish Council 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, Elmswell Parish Council appointed (Ref. 24.09.14) Cllrs Brown & Hancock, as non-signatory Members, to conduct a mid-term review of the system of internal control guided by the following tests with a written report of their findings to be submitted to the Council and minuted as received. The Councillors conducted an examination at the Council Office on 06.11.2024 where they had full and unfettered access to all of the Council files and documents both in hard copy and on line. They followed by the pro forma guidance which was approved by Council ref 24.09.15 but were in no way restricted to that document.

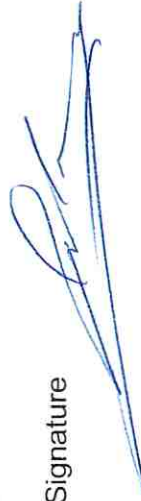
CONTROL TEST	FINDINGS – check text and/or documents	ACTION recommended
Regular maintenance arrangement for physical assets	Current Maintenance Agreements noted covering both Wesley & Blackbourne re heating, fire & intruder alarms, fire appliances.	Consider inclusion of solar PV panels & batteries when installed at Blackbourne
Review of the adequacy of insurance cover	Victor Multi-Cover 3 <sup>rd</sup> Sector Secure Policy ref. CC009789 in place expiring 27.06.2025 Noted recent claim for mechanical failure of Blackbourne GSHP efficiently dealt with via brokers Greenwood Moreland	No action deemed necessary
Annual review of financial risk	As noted ref 24.05.09 when Risk Assessments received & approved, Financial Risk Assessment as signed off by Council Chairman	No action deemed necessary

Standing Orders and Financial regulations adequate	As adopted 20.05.2024 ref. 24.05.33. Attention required to delegated purchase limits at 5.15 to establish more practical working limits.	Proposal to review and uplift maxima to: Clerk £1,000 Clerk + Chairman £10,000
Annual review of contracts with external agencies where appropriate	Noted general amenity grass cutting on 24 month contract from February 2024 ref. 24.02.15, other repeat specialist services with Veritas (SCC), & BMSDC re sports field cutting & bin emptying	Amenity grass contract to renew 01.03.2026
Regular bank reconciliation, independently reviewed	Minutes of monthly meetings show Chairman's signed confirmation that relevant bank statements, cross-referenced to computer accounts report, verify the published figure.	No action deemed necessary
Regular scrutiny of financial records and proper arrangements for the approval of expenditure	Noted full accounts tabled at monthly meeting, copied to Members in advance and published on Council website. Indicative Financial Statement issued monthly to Members showing transactions to date and year-end / outturn projections.	No action deemed necessary
Payments supported by invoices, authorised and minuted	3 invoices called up from random Bank Statement entries. Confirmed as all being properly signed by Clerk & 2 authorised Members.	No action deemed necessary
Regular scrutiny of income records to ensure income is correctly received, recorded and banked	Income detailed each month and published to Members and on website together with paper-trail reconciliation to Bank Statement.	No action deemed necessary
Contracts of employment for staff	Contracts for RFO & Clerical Assistant called up and found to be in order.	No action deemed necessary
PAYE/NIC properly operated by the Council as an employer	Computer payroll package, 'Payroll Manager', provides all necessary paperwork, eg payslips, including Monthly Return to HMRC.	No action deemed necessary
VAT correctly accounted for VAT payments identified, recorded and reclaimed in the cashbook	Computer accounts package, 'Sage 50 Cloud Accounts', extracts VAT elements and presents for formal submission to HMRC.	No action deemed necessary

Regular financial reporting to Members	Monthly meetings include as standard Agenda items (i) noting authorised payments made & income received as per published appendices (ii) Proposal for authorisation of payments as per published appendix (iii) Balance as per appendix referenced to Bank Statements and computer accounting out-turns.	No action deemed necessary
Compliance with Local Government Transparency Code Of 2015: Items of expenditure incurred over £500 recorded	Website carries quarterly publication of all payments above the £500.00 as per LGTC Part 2 paras 28, 29. ICO model FOI scheme on file	No action deemed necessary
Verifying that the Council is compliant with the General Data Protection Regulation & Freedom of Information Act compliance.	Data Protection Registration valid to 03.07.2025	No action deemed necessary
Minutes properly numbered and paginated with a master copy kept in for safekeeping	Noted, bundle of Approved & Signed Minutes April 2022 – October 2024 ready for binding	Have the papers bound
Procedures in place for recording and monitoring Members' Interests	Now with BMSDC and available on line	No action deemed necessary
Adoption of Code of Conduct for Members	Undertaking to be bound by LGA Model Code of Conduct as adopted 16.05.2022 ref. 22.05.31 incorporated into Declaration of Acceptance of Office	No action deemed necessary
Declarations of Acceptance of Office recorded for all Members & Chairman	Register inspected and properly records last entry at May 2024 from Chairman of Council	No action deemed necessary

This Review of system of Internal Controls was carried out by Cllrs David Brown & Peter Hancock on 06.11.2024

Signature



Signature

