

**CRETINGHAM, MONEWDEN AND HOO 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 an 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 and initial
	Yes or No	
Ensuring an up to date Register of Assets	YES	See minutes Jan 2023
Regular maintenance arrangement for physical assets	YES	
Annual review of risk and the adequacy of Insurance cover	YES	See minutes October 2022
Annual review of financial risk	YES	See minutes Jan 2023 47.4.1
Awareness of Standing Orders and Financial regulations	YES	See minutes Jan 2023 47.4.3
Adoption of Financial and Standing Orders	YES	See minutes Jan 2023 47.4.3
Regular reporting on performance by contractors	/	N/A
Annual review of contracts (where appropriate)	/	N/A

✳

Regular bank reconciliation, independently reviewed	YES	Reviewed by Cllr Peat on quarterly basis and sent to all Councillors
Regular scrutiny of financial records and proper arrangements for the approval of expenditure	YES	2 signatures for each cheque
687 Recording in the minutes or appendices of the minutes the precise powers under which expenditure is being approved	YES	See accounts
Payments supported by invoices, authorised and minuted	YES	See minutes 47.8
Regular scrutiny of income records to ensure income is correctly received, recorded and banked	YES	Reviewed by Cllr Peat on quarterly basis and sent to all Councillors
Scrutiny to ensure precept recorded in the cashbook agrees to District Council notification	YES	See attached 2733 ✓ 22/23 2869. 23/24
Contracts of employment for staff Contract annually reviewed Updating records to record changes in relevant legislation PAYE/NIC properly operated by the Council as an employer	/	N/A
* VAT correctly accounted for VAT payments identified, recorded and reclaimed in the cashbook	YES	See accounts
Regular financial reporting to Parish Council	YES	Each meeting
Regular budget monitoring statements as reported to Parish Council	YES	Reviewed at each council meeting
Compliance with DCLG Guide <i>Open &amp; Accountable Local Government</i> 2014, Part 4: Officer Decision Reports	YES	See attached guide

* Compliance with Local Transparency Code Of 2014: Items of expenditure incurred over £500 <i>£100 in doc</i>	YES	See attached for 2023
Verifying that the Council is compliant with the General Data Protection Regulation requirements  Are the following in place: <ul style="list-style-type: none"> <li>• Audit / Impact Assessment</li> <li>• Privacy Notices</li> <li>• Procedures for dealing with Subject Access Requests</li> <li>• Procedure for dealing with Data breaches</li> <li>• Data Retention &amp; Disposal Policies</li> </ul>	YES	See GDPR policy attached
Minutes properly numbered and paginated with a master copy kept in for safe-keeping	YES	
* Procedures in place for recording and monitoring Members' Interests and Gifts of Hospitality	YES	
Adoption of Codes of Conduct for Members	YES	See attached 47.4.4
Declaration of Acceptance of Office	YES	See attached

Date of review of system of Internal Controls.....

Review of system of Internal Controls carried out by:

Name Richard Chenery Signature [Signature]

Report submitted to Council (date) 7<sup>th</sup> March 2023

(minute reference) 48.4.7

Next review of system of Internal Controls due.....

**Additional comments by reviewer:**