

CODDENHAM 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 appoints a non-signatory Councillor, on a rota basis, 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 and initial
Ensuring an up-to-date Register of Assets	Yes	IDT
Regular maintenance arrangement for physical assets	No	IDT – The Council needs to put in place a timetable of regular maintenance arrangements, in line with the assets register.
Annual review of risk and the adequacy of Insurance cover	Yes	IDT – Approved at CPC meeting 13/10/22
Annual review of financial risk	Yes	IDT - Updated financial risk documents 17 th March 2022 meeting – minute number 21/22 320
Awareness of Standing Orders and Financial regulations	Yes	IDT
Adoption of Financial and Standing Orders	Yes	IDT – Item 372 14/7/22
Regular reporting on performance by Contractors	No	IDT – The Council needs to put in place a reporting procedure.

Annual review of contracts (where appropriate)	Yes	IDT – Annual review at July 2022 meeting – minute number 22/23 388
Regular bank reconciliation, independently Reviewed	Yes	IDT – Reviewed at each Council meeting
Regular scrutiny of financial records and proper arrangements for the approval of expenditure	Yes	IDT – Reviewed at each Council meeting
Recording in the minutes or appendices of the minutes the precise powers under which expenditure is being approved	Yes	IDT – Reported in the monthly Schedule of Payments and approved by Council.
Payments supported by invoices, authorised and minuted	Yes	IDT - Reported in the monthly Schedule of Payments with attached supporting invoices and approved by Council.
Regular scrutiny of income records to ensure income is correctly received, recorded and banked	Yes	IDT – Reported in the monthly Cash Book report and as bank statements.
Scrutiny to ensure precept recorded in the cashbook agrees to District Council notification	Yes	IDT – Reported in the monthly Cash Book report and balances with the remittance advice from MSDC.
Contracts of employment for staff	Yes	IDT
Contract annually reviewed	Yes	IDT – Clerk’s annual review was undertaken 17th March 2022; the next review will be due March 2023
Updating records to record changes in relevant legislation	Yes	IDT
PAYE/NIC properly operated by the Council as an employer	Yes	IDT – Online HMRC application in place.
VAT correctly accounted for VAT payments identified, recorded and reclaimed in the cashbook	Yes	IDT - A final claim for 2021/22 Item 340 (iii) 12/5/22

Regular financial reporting to Parish Council	Yes	IDT – Reported to each Council meeting and monthly by email.
Regular budget monitoring statements as reported to Parish Council	Yes	IDT – Last report dated 13/10/22
Compliance with DCLG Guide <i>Open & Accountable Local Government 2014</i> , Part 4: Officer Decision Reports	Yes N/A	IDT – Published on the Council website. IDT – Item to be removed in future.
Compliance with Local Transparency Code Of 2014: Items of expenditure incurred over £500	N/A	IDT – CPC's turnover is below the threshold. Although the Council publishes all expenditure above £100 on a monthly basis
Minutes properly numbered and paginated with a master copy kept in for safekeeping	Yes	IDT
Procedures in place for recording and monitoring Members' Interests and Gifts of Hospitality		IDT – policy adopted by Council 15 July 2021, minute number 21/22 216(vi)
Adoption of Codes of Conduct for Members	Yes	IDT
Declaration of Acceptance of Office	Yes	IDT

Date of review of system of Internal Controls: 22 November 2022

Review of system of Internal Controls carried out by:

Councillor Ian Thompson

Signature.....

Report submitted to Council:

24th November 2022

(minute reference)

Next review of system of Internal Controls due March 2023

Additional comments by reviewer:

As part of its internal control, the Parish Council appoints a non-signatory Councillor, on a rota basis, to conduct a review of the system of internal control.