

Yoxford Parish Council - Internal Controls 2023/2024

The Accounts and Audit (England) Regulations 2015 aims to strengthen governance and accountability through requirements related to internal control and internal audit.

Whilst the 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 the 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 not seen as, nor intended as, undue interference in the RFO's day to day management of financial affairs'.

As part of its internal controls, the Council conducts a review of the system of internal controls via the following tests on an annual basis with a written report of any findings submitted to the Council and minuted as received.

Control Test	Comments
Ensure the Asset Register is up to date.	Council will review the Asset Register at its meeting on 07/03/24. The Clerk updates the register following every purchase or disposal.
Regular maintenance arrangement for physical assets.	Play equipment safety inspection by RII registered inspector conducted in July 2023.
Annual review of the Risk Assessment, including financial risk.	Council reviewed and approved the Risk Assessment at its meeting on 07/12/23.
Annual review of adequacy of insurance.	Council reviewed and approved the insurance cover at its meeting on 07/09/23.
Awareness of Standing Orders.	Council reviewed and revised its Model Standing Orders at its meeting on 05/10/23 and approved them at its meeting of 07/09/23.
Awareness of Financial Regulations.	Council reviewed and approved Model Financial Regulations at its meeting on 07/03/24.
Regular bank reconciliation, independently reviewed.	Council reviewed and approved bank reconciliations at its meetings on: Year End 2022/2023 11/05/23 Quarter 1 2023/2024 02/11/23 Quarter 2 2022/2023 02/11/23 Quarter 3 2022/2023 11/01/24 Bank reconciliations are signed by a Councillor with Finance as a responsibility.
Regular scrutiny of Cash Book to ensure income and expenditure correctly recorded.	The Cash Book is scrutinised as part of the quarterly bank reconciliation process.
Ensure annual budget for the following financial year is approved.	Council reviewed and approved the budget for the financial year 2023/2024 at its meeting on 11/01/24.
Ensure precept level for the following financial year is approved based on annual budget.	Council reviewed and approved the precept level for the financial year 2024/2025, based on annual budget, at its meeting on 11/01/24.
Proper arrangements are in place for the approval of expenditure.	Every item of expenditure is proposed and seconded by members, voted on and recorded in the minutes. Quotations are considered and approved if applicable.

Recording in minutes the precise powers under which expenditure is approved.	Every item of expenditure has the power recorded in the minutes.
Payments supported by invoices, authorised and minuted.	Every payment is supported by an invoice, authorised by the Council and minuted at every meeting. Cheques are signed by two authorised signatories, invoices and cheque stubs are initialled. Online bank transfers are set up by the Clerk and then authorised by one signatory.
Ensure the maximum amount of s137 expenditure is calculated annually and reported to Council.	Council noted the maximum amount of s137 expenditure for the financial year 2024/2025 at its meeting on 07/03/24.
Ensure income, including precept, is correctly received, recorded and banked.	All income received is minuted at meetings. Income is received by cheques which are banked regularly and by direct bank transfer.
Ensure the effectiveness of the internal audit has been reviewed.	The review is covered within the Risk Assessment which was reviewed and approved by the Council at its meeting on 07/12/23, this Internal Control statement reviewed and approved at its meeting on 07/03/24, and the review of the Internal Audit report at its meeting on 11/05/23.
Ensure all staff have an Employment Contract.	The Clerk/RFO has an Employment Contract.
Records are updated to record changes in legislation.	Regular bulletins are received from SALC informing the Clerk of any changes in legislation. The Clerk regularly attends training sessions delivered by SALC. Records are updated as necessary.
PAYE/NIC/Pension properly operated by the Council as an employer.	Employer filing obligations are met by SALC through its PAYE service. Any NIC due is notified to the Council by a SALC and reported at a meeting and is paid by Council to HMRC by BACS. Council noted re-declaration of compliance with the Pensions legislation on 06/02/20 and the clerk's intention to waive rights to paying in to a scheme on 11/01/24.
VAT correctly accounted for and VAT payments identified, recorded and reclaimed.	All VAT is recorded in a separate column in the Cash Book and reclaimed annually. VAT was last reclaimed in February 2024 for the period 29/01/23 to 31/12/23.
Regular financial reporting to Council.	The Council notes its financial position at every meeting.
Quarterly budget monitoring statements reported to Council.	Council reviewed and approved quarterly budget versus actual income and expenditure on: Year End 2022/2023 11/05/23 Quarter 1 2023/2024 02/11/23 Quarter 2 2023/2024 02/11/23 Quarter 3 2023/2024 07/03/24
CIL reporting to Parish and District Councils in accordance with legislation.	CIL received in 2022-2023 was reported to the Parish Council when received and reported to the District Council by 31/12/23 in accordance with the legislation. CIL received in 2023-2024 was reported to the Parish Council when received and will be reported to the District Council by 31/12/24 in accordance with the legislation.
CIL expenditure in accordance with legislation.	

Compliance with Local Transparency Code.	Compliance is demonstrated by the following records published on the Parish Council page on the village website: Items of Expenditure Over £100 2022/2023 End of Year Accounts 2023/2024 End of Year Bank Reconciliation 2023/2024 Significant Variances 2023/2024 Annual Governance and Accountability Return 2022/2023 Internal Audit Report 2022/2023 External Audit Report and Certificate 2022/2023 List of Councillor Responsibilities 2023 Details of Land and Public Buildings 2023 Minutes and Agendas and Meeting Papers
Compliance with GDPR - Council registered as a Data Controller.	Council's registration with ICO was renewed on 25/04/23.
Compliance with GDPR - progress made towards meeting the requirements.	Privacy Notice adopted on 07/06/18. Subject Access Request Policy and Procedure adopted on 03/10/19. Personal Data Audit noted on 07/11/19. The Council has not conducted any major projects during the financial year which involved the use of personal data, therefore no Data Protection/Audit Impact Assessments were completed. Personal Data Breaches Procedure adopted on 07/01/21. Data Retention and Disposal Policy adopted on 07/01/21. The information available under the Freedom of Information Act was reviewed on 07/01/21. All paper records were reviewed and rationalised by March 2023. Next review by end of March 2024. Paper records are kept securely in a clear, identifiable filing system.
Minutes consecutively numbered, signed and stored adequately for safe-keeping.	Minutes are approved and signed at every meeting. Minutes are stored in a metal filing cabinet in the village hall to which only the Clerk has access.
Procedures in place for recording and monitoring Members' Interests.	Every new Member completes a Register of Interests form which is submitted to the District Council. Members are asked to declare any interests at every meeting and these are recorded in the minutes.
Adoption of Local Code of Conduct.	Council adopted the LGA Model Councillor Code of Conduct 2020 on 11/05/23.
Completion of Declaration of Acceptance of Office for Chairman and Co-Opted Members.	All members, including the Chairman and Vice-Chairman, completed and signed a Declaration of Acceptance of Office.

This document was revised March 1st 2024 for submission to Yoxford Parish Council and reviewed at its meeting of March 7th 2024.