

THURSTON PARISH COUNCIL

INTERNAL CONTROL REVIEW – 2025-2026

The Accounts & Audit (Amendment) (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 ie 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 Councillor 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. The tests carried out during the year should enable the Council to respond in the affirmation to Assertion 2 of the Annual Governance and Accountability Return “We maintained an adequate system of internal control, including measures designed to prevent and detect fraud and corruption and reviewed its effectiveness”.

CONTROL TEST	TEST DONE	AGAR Audit	COMMENTS – check documents & initial
	Yes/No	Objective	
Asset Register: <ul style="list-style-type: none"> ensuring up-to-date Register of Assets held in accordance with Proper Practices Annually reviewed 	Yes	H	Updated with 7 x New Bins purchased and installed in August 2025
Regular maintenance arrangements for physical assets	Yes	H	Reported by deputy clerk at monthly meetings
Annual review of risk and adequacy of Insurance cover	Yes	C	Renewal due 30/9/25 and is currently being worked on.
Annual review of Fidelity Guarantee and adequacy of cover	Yes	C	As above
Annual review of Financial Risk	Yes	C	P&R Committee reviewed 20/8/25
Annual review of Risk Strategy	Yes	C	P&R Committee reviewed 20/8/25
Annual review of Internal Controls	Yes	C	P&R Committee reviewed 20/8/25
Awareness of Standing Orders & Financial Regulations	Yes	C	All Councillors are made aware of these by the PC Clerk.
Annual review of Financial & Standing Orders	Yes	C	Reviewed May 2025
Annual review of contracts (where appropriate)	Yes	B/J	Annual contracts reviewed by Clerk and whole PC when appropriate. As a test I reviewed the contracts for the Pavilion Refurbishment currently in progress, looked at Seamans and SF Electrical quotes as approved Aug 25
Regular reporting on performance by contractors	Yes	B/J	Monitored by Clerk and Deputy
Numerical orders placed in accordance with Financial Regulations	Yes	B/J	Order book held by RFO and used for all purchases except minor items such as stationery.
Regular scrutiny of financial records and proper arrangements for the approval of expenditure	Yes	B	Reported in detail at Monthly Parish meetings

Payments supported by invoices, authorised and minuted	Yes	B	As bank signatory this is part of my checks whenever I am authorising payments. All purchases are signed off by the RFO and or the Chair/Vice Chair.
Scrutiny of internet bank payments including authorisation procedures	Yes	B	As above – checked monthly. New Lloyds Fixed Term Deposit account opened 5/9/25. Application for Debit Card made 4/9/25 as approved at PC meeting 3/9/25
Scrutiny of grants awarded by the Council and declared in cashbook	Yes	B	Discussed and approved at main monthly meetings. None to report for current year.
Scrutiny of income records to ensure income is correctly received, recorded and banked	Yes	E	Reported monthly to PC, checked by my access to the bank accounts.
Scrutiny of grants received by the Council and declared in cashbook	Yes	E	Only one grant received in year to date. Cleansing Grant from MSDC £5396.82 on 28/7/25 and confirmed in accounts
Monthly bank reconciliation reporting to Parish Council	Yes	I	At every monthly meeting
Review of inter-account transfers by the RFO	Yes	I	Reviewed and I have seen journals
Reporting of inter-bank transfers at appropriate Parish Council Meetings	Yes	I	At every monthly meeting
Bank Reconciliations periodically verified and signed off by a non-signatory Councillor	Yes	I	All signed off by Vice Chair (non-signatory)
Budget setting process in accordance with Proper Practices	Yes	D	Approved by P&R committee and signed off by full PC
Quarterly budget monitoring statements reported to Parish Council	Yes	D	Last completed to end of June 2025
Scrutiny to ensure precept recorded in the cashbook agrees to MSDC notification	Yes	E	Checked and confirmed 1 st half received 10/4/25. 2 nd half received 9/9/25
Monthly reconciliation of Corporate Credit Card operated by the Clerk. Verification process in place	Yes	A	All signed off by Vice Chair. New Debit card applied for that should reduce volume of transactions.
Contracts of employment in place for all staff	Yes	G	Clerk confirmed these are all in order and locked away securely.
Staff contracts annually reviewed	Yes	G	Carried out by Chair and RFO
Annual performance review for all staff	Yes	G	Carried out by Chair and approved at Full Council.
Records updated to reflect relevant legislation	Yes	G	No changes to report
PAYE/NIC/Pension properly operated by the Council as an employer	Yes	G	Confirmed as being a bank signatory to salary payments.
Staff Details e.g. salary payments - held in a secure & appropriate manner	Yes	G	Yes, shown the file and cabinet. Looking to open separate bank account for salary payments for confidentiality.
VAT payments identified, recorded and reclaimed in the cashbook	Yes	A	Checked latest VAT reclaim was received on 6/8/25 £5216.55
CIL reporting to Council in accordance with legislation	Yes	E/B	Monthly detailed reports to main council
CIL reporting to District in accordance with legislation	Yes	E/B	Completed annually by RFO
CIL expenditure in accordance with legislation	Yes	E/B	All signed off with full PC approval
Compliance with 2014 Regulations: Officer Decision Reports	Yes	L	Reported monthly at full Council
Compliance with Local Transparency Code 2015:	Yes	L	Always approved by P&R Committee and main Council

Quarterly: Items of expenditure over £500; requests for tender over £5,000; contracts awarded over £5,000. Annually: staff breakdown; contracts issued over £5,000; counter fraud work			
Compliance with Data Protection Legislation – Council registered as a Data Controller	Yes		GDPR Statement reviewed on PC Website
Compliance with General Data Protection Regulations: <ul style="list-style-type: none"> Data Audit Impact Assessment completed for new projects Legal basis for processing data identified for new projects Annual review of GDPR policies 	Yes	L	Full compliance. Issue with New Green CCTV is still WIP. P&R Committee Aug 2025.
Compliance with digital and data requirements: <ul style="list-style-type: none"> Email account hosted on an authority domain name IT policies for use of authority owned equipment Model Publication Scheme 	Yes Yes	L	Agreed there is a secure process. Policy reviewed by P&R Committee.
Compliance with Website Accessibility Requirements: <ul style="list-style-type: none"> Website Security Certificate Digital Accessibility Accessibility statement on website 	Yes	L	Full audit is in progress Sept 2025.
Minutes properly numbered or paginated with a master copy kept in for safekeeping	Yes	L	Minutes all reviewed and signed at following meetings by Chair/Vice Chair.
Confidential minutes properly recorded, numbered or paginated with a master copy kept in a secure place.	Yes	LGA 1972	All confidential minutes and associated papers are filed securely in locked cabinet
Procedures in place for recording and monitoring Members' Interests and Gifts of Hospitality	Yes	LGA 1972	Recorded at the start of all meetings
Roles and Responsibilities of Councillors published on website	Yes	LGA 1972	Checked by GB 10/9/25. On website councillors Allen, Hamel-Cooke and Millest are yet to have their pictures added.
Terms of Reference for Committees annually reviewed	Yes	LGA 1972	All new committee structure approved May 2025.
Delegated Powers identified and implemented	Yes		As above
Adoption of Code of Conduct for Members	Yes		As Above
Declaration of Acceptance of Office: <ul style="list-style-type: none"> Completed Copy held 	Yes		RFO confirmed all up to date.
Register of Interests: <ul style="list-style-type: none"> Completed Uploaded onto MSDC Website 	Yes		RFO confirmed all up to date.

Date of review of system of Internal Controls: 10th September 2025.

Review of system of Internal Controls carried out by: Councillor - Graham Balaam

Report submitted to Council: (date) 01.10.25 (Agenda reference) 12g

Next review of system of Internal Controls due: by end of December 2025.