

SUDBURY TOWN COUNCIL – August 2022 (completed)

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 Sudbury Town 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 Town Council has appointed a non-signatory 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.

CONTROL TEST	TEST DONE	COMMENTS – check documents and initial
	Yes or No	
Ensuring an up to date Register of Assets	Yes	Fixed Asset register in place but needs review
Regular maintenance arrangement for physical assets	No	Needs to be reviewed
Annual review of risk and the adequacy of Insurance cover	Yes	Fidelity Insurance cover of a million agreed 7/6/22 at Finance Committee
Annual review of financial risk	Yes	Last reviewed March 2021 to be reviewed by RFO half yearly
Awareness of Standing Orders and Financial regulations	Yes	Standing Orders and Financial Regulations updated and adopted January 2022
Adoption of Financial and Standing Orders	Yes	Adopted in Jan 2022 – Review date October 2022
Regular reporting on performance by contractors	No	Needs to be reviewed

Annual review of contracts (where appropriate)	Yes	Feb 2022 – Next review date Sept 2022
Regular bank reconciliation, independently reviewed	Yes	RFO reviewed 10/8/22
Regular scrutiny of financial records and proper arrangements for the approval of expenditure	Yes	RFO reviewed 10/8/22
Recording in the minutes or appendices of the minutes the precise powers under which expenditure is being approved	Yes	RFO reviewed 10/8/22
Payments supported by invoices, authorised and minuted	Yes	RFO reviewed 17/8/22
Regular scrutiny of income records to ensure income is correctly received, recorded and banked	Yes	RFO reviewed 17/8/22
Scrutiny to ensure precept recorded in the cashbook agrees to District Council notification	Yes	RFO reviewed 17/8/22
Scrutiny of the online banking system requiring dual authorisation by council officers	Yes	RFO reviewed 17/8/22
Contracts of employment for staff	Yes	Latest staff employed contracts checked. Signed contracts need to be scanned on to the system.
Contracts annually reviewed	No	To be reviewed
Updating records to record changes in relevant legislation	Yes	Town Clerk attends regular HR seminars and records any changes accordingly
PAYE/NIC properly operated by the Council as an employer	N/A	Operated by SGW
VAT correctly accounted for VAT payments identified, recorded and reclaimed in the cashbook	Yes	Submitted quarterly by DFO – quarter 1 reviewed by RFO 17/8/22
Regular financial reporting to Town Council	Yes	Monthly Finance Committee - RFO
Regular budget monitoring statements as reported to Town Council	Yes	Monthly Finance Committee - RFO

Compliance with DCLG Guide <i>Open & Accountable Local Government 2014</i> , Part 4: Officer Decision Reports	Yes	All decisions recorded via the minutes which are available online. Minutes are checked by DFO for authority prior to payment.
Compliance with Local Transparency Code Of 2014: Items of expenditure incurred over £500	Yes	Approved and recorded. Minutes are checked by DFO for authority prior to payment.
Verifying that the Council is compliant with the General Data Protection Regulation requirements Are the following in place:		
• Audit / Impact Assessment	No	Needs review
• Privacy Notices	Yes	Checked and confirmed on website
• Procedures for dealing with Subject Access Requests	No	Procedures for dealing with FOI requests need review, however guidelines are on the website.
• Procedure for dealing with Data breaches	No	Needs review – last data breach was dealt with by ICO
• Data Retention & Disposal Policies	Yes	Disposal policy needs review
Minutes properly numbered and paginated with a master copy kept in for safekeeping	Yes	All minutes are kept on file and are available on the Council website
Procedures in place for recording and monitoring Members' Interests and Gifts of Hospitality	Yes	RFO review 17/8/22
Adoption of Codes of Conduct for Members	Yes	Updated by Suffolk County Council re-adopted May 2022.
Declaration of Acceptance of Office	Yes	Reviewed by RFO 17/8/22

Date of review of system of Internal Controls..... 17/8/2022

Review of system of Internal Controls carried out by:

Name..... Debbie Beeks Signature..... 

RFO

Report submitted to Council

(date)..... *September 2022*

(minute reference)

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

~~February~~ *November 2022*

Additional comments by reviewer: