

ELMSWELL PARISH COUNCIL

INTERNAL CONTROL REPORT 2025

The Accounts & Audit (England) Regulations 2015, and as since variously amended, aims to strengthen governance and accountability through requirements related to internal control and internal audit.

The Parish Council 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, Elmswell Parish Council appointed (Ref. 25.09.15) Cllrs Roots and Schofield to conduct a mid-term review of the system of internal control guided by the following tests with a written report of their findings to be submitted to the Council and minuted as received. The Councillors conducted an examination at the Council Office on 19.11.2025 where they had full and unfettered access to all of the Council files and documents both in hard copy and on line. They followed by the pro forma guidance which was approved by Council ref 25.09.15 but were in no way restricted to that document.

CONTROL TEST	FINDINGS – check text and/or documents	ACTION recommended
Regular maintenance arrangement for physical assets	Noted agreements on file re fire & intruder alarms, fire appliances, heating & Wesley coffee machine in place and records kept as appropriate. Noted, ref last year's recommendation that solar pv installations & batteries are static units needing no maintenance other than cleaning as part of Blackbourne high-level gutter etc annual job.	No action determined
Review of the adequacy of insurance cover	Confirmed continuing good service via brokers Greenwood Moreland and cover under Victor policy of £10m employer's liability, £5m public liability & adequate buildings & contents cover including Tavern during works & anticipating trading.	Update insurers as Tavern begins trading
Annual review of financial risk	Annual Council Meeting notes and approves as part of Risk Assessment process – Minuted at 25.05.09 Noted non-financial risk not scheduled for examination.	Non-financial Risks including RA's, etc & safeguarding should be included in reviews.

Standing Orders and Financial regulations adequate	Noted SO's as reviewed 15.01.2024 Noted FR's as amended 18.11.2024	No action determined
Annual review of contracts with external agencies where appropriate	Continuing satisfactory contracts noted re Top Gardens cemetery & Crown Mill grass cutting, Vertas re Blackbourne grass cutting, BMSDC re bin emptying.	Renewals as necessary
Regular bank reconciliation, independently reviewed	Signed off at monthly meetings by Chairman who is not a bank account signatory. Signed copies submitted annually to Internal Auditor for ratification.	No action determined
Regular scrutiny of financial records and proper arrangements for the approval of expenditure	Full monthly accounts tabled to relevant meeting and posted on website. Members have indicative financial statement each month showing budgeted figures, actual expenditures and projected outcomes.	No action determined
Payments supported by invoices, authorised and minuted	Paper trail of 3 random bank statement entries confirmed due process followed.	No action determined
Regular scrutiny of income records to ensure income is correctly received, recorded and banked	As per expenditures, published to monthly meetings and Minuted.	No action determined
Contracts of employment for staff	Random example selected from file, Clerical Assistant, and confirmed in order	No action determined
PAYE/NIC properly operated by the Council as an employer	Automatically calculated and administered by Payroll Manager package ready for presentation to HMRC. As examined by Internal Audit and in order.	No action determined
VAT correctly accounted for VAT payments identified, recorded and reclaimed in the cashbook	Calculated automatically as one aspect of Sage 50 package and downloaded for HMRC submission.	No action determined
Regular financial reporting to Members	As tabled and formally noted at monthly meetings with full cross-referencing. Minuted appropriately	No action determined

Compliance with Local Government Transparency Code Of 2015: Items of expenditure over £500 recorded	All expenditures of £500+ recorded and published on Council website.	No action determined
Verifying that the Council is compliant with the General Data Protection Regulation & Freedom of Information Act compliance.	Data Protection Registration certified to 03.07.2026, renewal automatic FOI Model Publication Scheme adopted 15.12.2008 remains current	No action determined
Minutes properly numbered and paginated with a master copy kept in for safekeeping	Confirmed, including recently bound for archiving April 2022 – March 2024	No action determined
Procedures in place for recording and monitoring Members' Interests	Monthly Agenda item and Minuted	No action determined
Adoption of Code of Conduct for Members	Declarations of Acceptance of Office, as per Register, confirm all Members bound by LGA Model as adopted 16.05.2022 ref. 22.05.31	No action determined
Declarations of Acceptance of Office recorded for all Members & Chairman	As per Register available for public inspection on application.	No action determined

This Review of system of Internal Controls was carried out by Cllrs Sue Roots and Mike Schofield on 19th November 2025

Signature *S Roots*

Signature *M Schofield*

The Clerk was invited to add his comments to the Report, as appended here

I have for some time been stressing the advisability of a programme of Succession Planning against the day when I leave, one way or another. There has been some small, and always welcome, progress in asking individual councillors to take on a specific project or area of responsibility and, very significantly, the exceptional role of Project Manager of the Elmswell Tavern project undertaken by Cllr Pallett. Nevertheless, I suggest that Council needs to formally consider a way forward and with particular reference to the Tavern which, once trading, offers different perspectives on the facilities management which forms a considerable element of the work of the Clerk's office. With election due in 2027 this might be a suitable focus for implementing any change in structure, practices or procedures so that a new Council is elected knowing what to expect.

Peter Dow 19.11.2025