

**Somersham Parish Council**

**Review of Internal Control Measures and Risk Management Arrangements**

**Undertaken by Somersham Parish Council on 20<sup>th</sup> March 2024**

<b>Review Area</b>	<b>Audit Report Section 4 Reference</b>	<b>Self-Assurance</b> Green – Full Yellow – Partial Red - None	<b>Comments</b>
<b>Appropriate Books of Accounts</b>	<b>A</b>		Maintained throughout the year by Clerk
<b>Asset Register</b>	<b>H</b>		The Asset Register has been updated to reflect changes made during the year.
<b>Auditors Reports</b> (Principal System of Internal Control by providing independent inspection of the Council's systems of internal control).	<b>H</b>		Report of internal auditor has been presented to Council (May).
<b>Banking</b>			Funds held with Barclays Bank. Payments are made via BACS with dual authorisation by Members of the Parish Council.
<b>Bank Reconciliation</b> (Principal System of Internal Control for ensuring that the Council's accounts are a true and accurate reflection of monies held at the bank)	<b>I</b>		Undertaken regularly by Clerk
<b>Budgetary Control</b> (Principal System of Internal Control enabling income and expenditure to be managed within agreed budgets).	<b>1</b>		Regular reports are presented to Council meetings which include fund balances and the Council's overall financial position.
<b>Cash Handling</b>	<b>F</b>		No petty cash float is held by the Council.
<b>Code of Conduct</b>			All Members have been issued with a copy of the Code of Conduct previously. Disclosable pecuniary interests and requests for dispensations appear on the agenda as standing items.
<b>Data Protection &amp; Information Security Policy</b>			Policy to be reviewed every 3 years (next review March 2025). Steps to be taken to comply with General Data Protection Regulations. Following the introduction of GDPR all documents are stored in a lockable cupboard.
<b>Decision-Making</b>			Public notice is provided of meetings and accurate minutes maintained. Matters formally delegated to the Clerk or the Clerk in consultation with named Members of the Parish Council as appropriate. Confidential business is dealt with in private session.
<b>Document Retention and Disposal Policy</b>			Policy to be reviewed every 3 years (next Review March 2025).
<b>External Audit</b>			The Parish Council has considered the new audit requirements for smaller Councils.
<b>Financial Regulations</b> (Principal System of Control for the Financial Management of the Council)			Reviewed and updated annually.
<b>Fraud</b>			Procedures to prevent and detect fraud are in place in terms of the authorisation of payments.
<b>Income</b>	<b>E</b>		Fully recorded and logged on spreadsheet.

<b>Insurance</b>			Ansvar through CAS Key Elements: <ul style="list-style-type: none"> <li>- Money £5,000</li> <li>- Public Liability £10 million</li> <li>- Employers Liability £10 million</li> <li>- Libel &amp; Slander £100,000</li> <li>- Employee Dishonesty £50,000</li> <li>- Legal Expenses £250,000</li> </ul>
<b>Internal Audit</b>			Trevor Brown appointed to undertake internal audit providing independent and competent service
<b>Legal Advice</b>			Advice obtained as required to avoid unlawful actions by the Parish Council.
<b>Payments</b>	<b>B</b>		Authorised by the Parish Council and recorded in the minutes of meetings. Supported by invoices and receipts.
<b>Payroll Control</b>			The Council has a PAYE system in place.
<b>Precept</b>	<b>D</b>		The Precept for 2024/25 has been set having regard to estimated income, expenditure and financial risks facing the Council.
<b>Publication Scheme</b>			Policy to be reviewed every 3 years (next review March 2025).
<b>Reserves</b>			The Council has reviewed its reserves and transferred amounts from the general reserve to designated funds as appropriate.
<b>Risks</b>	<b>C</b>		The Risk Assessment document is reviewed and updated annually.
<b>Standing Orders</b> (Principal System of Control for Conduct and Transaction of Business at meetings of Council)			Standing Orders are reviewed annually. Changes have been made to comply with new arrangements on contracts.
<b>Tenders</b>			Not applicable over last 12 months.
<b>Transparency Code</b>			Steps are taken to publish information in accordance with the Transparency Code.
<b>Trust Funds</b>	<b>K</b>		Not held by the Parish Council so no trustee responsibilities to be monitored

**Annual Review:**

- a. Consider Internal Controls Document
- b. Approve Standing Orders (circulate annually)
- c. Approve Financial Regulations (circulate annually)
- d. Appoint Internal Auditor
- e. Submit Reports of Internal and External Auditors
- f. Approve any Changes to Policies (refer to Periodic Review 2019, 2022 etc)
- g. Review Compliance with Transparency Code
- h. Approve Risk Assessment (circulate annually)