

LAWSHALL PARISH COUNCIL INTERNAL CONTROL REPORT 2025

The Accounts & Audit (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 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 R.F.O.'s day to day management of financial affairs.'

As part of its internal control, Lawshall Parish Council has appointed non-signatory Councillors to conduct a review of the system of internal control via the following tests annually with a written report of any findings to be submitted to the council and minuted as received.

CONTROL TEST	TEST DONE Yes or No	COMMENTS – check documents and initial
Ensuring an up to date Asset Register	Yes	Minutes June 2024, March 2025, June 2025
Regular maintenance arrangement for physical assets	Yes	Playground inspection Spring 2025 and regular feedback from Councillor CB. Review of contractors- best value and work quality, monthly consideration, February Finance Committee and March Budget Setting Meetings 2025
Annual review of risk and the adequacy of Insurance cover	Yes	Minutes September 2024, Internal Audit Report June 2024
Annual review of financial risk	Yes	See Risk Assessment and Management actions May 2024, reviewed and updated March 2025, Internal Audit Report June 2024, monthly bank reconciliations within meeting minutes, Financial Regulations update June 2024 and annual review, External Auditor's Report October 2024
Awareness of Standing Orders and Financial regulations	Yes	Minutes May 2024, June 2024, March 2025

Adoption of Financial and Standing Orders	Yes	Minutes May 2024, June 2024, March 2025
Regular reporting on performance by contractors	Yes	Review of contractors- best value and work quality, monthly consideration, February Finance Committee and March Budget Setting Meetings 2025
Annual review of contracts (where appropriate)	Yes	Review of contractors- best value and work quality, monthly consideration, February Finance Committee and March Budget Setting Meetings 2025
Regular bank reconciliation	Yes	Historical evidence of this not being carried out, but reviewed and put in place. Monthly minutes, February 2025 Finance Committee, end of year report April 2025.
Regular scrutiny of financial records and proper arrangements for the approval of expenditure	Yes	Historical evidence of this not being carried out, but reviewed and put in place. Monthly bank statements, monthly minutes include approved invoices and payments, February Finance Committee 2025, March Budget Setting and bank account usage meeting minutes, risk management, policies and Financial Regulations, internal and external audit
Recording in the cashbook and appendices of the minutes the precise powers under which expenditure is being approved	Yes	Historical evidence of this not being carried out, but reviewed and put in place. February 2025 Finance Committee, Cashbook, annual summary of £100+ expenditure
Payments supported by invoices, authorised and minuted	Yes	Monthly record, if payment approved by email then reconciliation at following meeting
Regular scrutiny of income records to ensure income is correctly received, recorded and banked	Yes	Cashbook, scrutiny and signing of bank statements
Scrutiny to ensure precept recorded in cashbook agrees to notification	Yes	Receipt also recorded in meeting minutes
Contracts of employment for staff reviewed annually	Yes	January 2025 minutes (Schedule Clerk's Annual Review)

Record updating reflects changes in relevant legislation	Yes	SALC and Scribe updates help with this
PAYE/NIC properly operated by the Council as an employer	Yes	Outsourced to SALC Brightpay
VAT correctly accounted for, VAT payments identified, recorded and reclaimed in the cashbook	Yes	Cashbook and VAT reclaim
Regular financial reporting to Parish Council	Yes	Monthly bank reconciliation within minutes, February Finance Committee 2025, budgeting minutes, e.g. April 2024, October 2024, March 2025
Regular budget monitoring statements reported to Parish Council	Yes	January Precept Setting minutes, February Finance Committee 2025, budgeting minutes, e.g. April 2024, October 2024, March 2025
Compliance with Local Transparency Code Of 2014: Items of expenditure incurred over £500	Yes	Annual summary of £500+ expenditure, website
Verifying that the Council is compliant with the General Data Protection Regulation requirements checking the following in place: <ul style="list-style-type: none"> • Audit / Impact Assessment • Privacy Notices • Procedures for dealing with Subject Access Requests • Procedure for dealing with Data breaches • Data Retention & Disposal Policies 	Yes	Website, policy updates March 2025
Minutes properly numbered and paginated with a master copy kept in for safekeeping	Yes	Website, Clerk's files
Procedures in place for recording and monitoring Members' Interests and Gifts of Hospitality	Yes	Link to Babergh Democratic Services on website (Check if appearing for new Councillors)
Adoption of Codes of Conduct for Members	Yes	(Last updated September 2023)
Declaration of Acceptance of Office	Yes	When Councillors co-opted November 2024, election of Chair and Vice Chair May Annual Meeting Minutes

Date of review of system of Internal Controls: Policy March 2025, Report June 2025

Carried out by: Councillor Juliet Frost

Date report submitted to Lawshall Parish Council: June 2025

Next review of system of Internal Controls due: March 2026

Additional comments by reviewer: (Yellow actions to be completed).

U. Mawer
Mark J. Anon