



Internal Audit Checklist ‘Year End 2024/25’

Name of Authority:Northstowe Town Council.....

Date of Interim Audit 22nd November 2024

Interim Audit Completed by.....Victoria Taylor PSLCC.....

Governance & Procedure

Legislation

Process	Notes/Action to be Taken
Standing Orders	The council has adopted the 2018 NALC Model Standing Orders. The amendment to incorporate the procurement threshold change was included at the May 2024 review.
Financial Regulations	The council reviewed its Financial Regulations in July 2024. The current document is based on the 2019 NALC Model, but the Clerk/RFO is aware of the 2024 NALC model document which includes the procurement threshold increase.
Code of Conduct	The council has a Code of Conduct which was adopted in May 2021 and is based upon the District Council’s code at that time. The Clerk advised of the intention to move to the LGA Model CoC in the future. The council could also consider taking the Civility & Respect pledge.

	The CoC Complaint Procedure was discussed, and it is noted that the Monitoring Officer has responsibility to deal with such complaints.
Health & Safety Policy	There is a Health & Safety policy, but it was adopted in May 2021 and should be reviewed.
Disciplinary Policy with Procedures	There is no Disciplinary Policy in place at present, but the Clerk is aware of the need for one. This has been discussed at committee level and Worknest have been engaged to develop a HR handbook which will incorporate such procedures.
Grievance Procedure	There is no Grievance Procedure in place at present, but the Clerk is aware of the need for one. This has been discussed at committee level and Worknest have been engaged to develop a HR handbook which will incorporate such procedures.
Data Protection Policy	There is a GDPR compliant policy but this has not been reviewed since May 2021. NALC produce a good toolkit which may prove helpful when reviewing this document.
Publication Scheme	There is a publication scheme which is based upon the ICO template. It is available online, but the Clerk advised that it is in need of updating/reviewing.
ICO	The council's registration reference is ZB039672 and the registration expires on 5 th April 2025.
Insurance	<p>The council has an insurance policy with Hiscox (through Gallagher) which expires on 6th May 2025.</p> <p>Public liability - £10 million Fidelity limit – £150,000 Employers' liability - £10 million</p> <p>The council is not currently responsible for any buildings, although it is noted that there are future plans being developed.</p> <p>Insurance cover level is sufficient when compared to the asset register. The cover level should be reviewed as new equipment is purchased.</p>

	<p>No data breach cover.</p> <p>No cyber insurance in place.</p>
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Councillors and Ethical Framework

Process	Notes
Cllr Declarations of Office	Signed declaration of acceptance of office forms evidenced. Including the Chairman for May 2024 meeting.
Register of Interests Current	<p>ROIs are all on the principal authority's website (SCDC) and there is a link on the council's website to these.</p> <p>It is pleasing to see an annual reminder to Members to review their ROI.</p>
Evidence of Declarations of Interests at Meetings	There is an agenda item to declare interests.
Dispensation Grant Policy	The Clerk has identified the need for a Dispensation Grant Policy. Whilst it would be useful, there is no requirement to prioritise this as the council's Standing Orders do cover dispensations.
General Power of Competence (GPC)	<p>The council confirmed eligibility and its intention to exercise GPC in May 2024.</p> <p>The council meets the eligibility criteria and demonstrates a clear understanding of those within the May 2024 annual meeting minutes.</p>

Agendas and Minutes

Process	Notes
Agendas	
Is there evidence that correct procedures are in place?	<p>Continuous numbering in place for the year for both committee and FC agendas. Advised that it may be advantageous to identify committee or FC within the numbering so each item as a unique reference.</p> <p>Three clear days' notice evidenced.</p>

	<p>Agendas are signed by the Proper Officer.</p> <p>Location, time & summons evidenced upon summons.</p>
Annual Meeting of Council	<p>The Annual Meeting was held on 28th May 2024.</p> <p>Election of Chairman was the first item of business.</p>
Annual Parish/Town Meeting	<p>The Annual Town Meeting was held on 30th April 2024.</p> <p>The agenda was published with more than 7 days' notice and was correctly signed by the Mayor.</p>
Matters Arising?	Matters Arising not used.
Minutes	
Minute book	<p>Proper minutes are initialled, signed and dated. The Clerk/RFO advised that minutes will likely be bound into books within the next year or two.</p> <p>Minutes are concise, not verbatim, and resolutions are clear.</p> <p>Minutes match agenda items in sample</p> <p>There is evidence of declarations of interest being made.</p> <p>Advised that it is not necessary to adjourn meetings to allow for public participation as Standing Orders allow for this.</p> <p>The Council operates a number of committees, including a Planning Committee to deal with all planning matters. Minutes of committee meetings were reviewed as part of the mid-year audit.</p> <p>There was a S137 grant awarded on 16th April 2024, £2,000 to Northstowe News. It is noted that the council is now exercising GPC.</p> <p>All FC & committee minutes are available on the council's website.</p>

Policies and Processes

Process	Notes
<p>Monitoring and Updating</p>	<p>The council has adopted a number of policies and should seek to review these on a regular basis. The Clerk/RFO demonstrates an excellent understanding of requirements and has produced a comprehensive document prioritising review of the council's policies.</p> <p>Many of the HR policies identified as required will be combined into the HR Handbook that is being produced.</p> <p>An annual rolling review system is suggested to help manage workload for Officers and Members. The adoption of policies is currently done by the F&G Committee, but it may be advantageous for at least some policies to be approved by Full Council instead, A scheme of delegation does not remove the power from Full Council even if a matter has been delegated, so there is no issue with a mixed approach being used.</p> <p>In the first instance, the council should prioritise adoption of Record Retention and Disciplinary policies, along with a Grievance Procedure.</p>
<p>Risk Management Policy</p>	<p>There is a comprehensive risk management document but is in need of update/review.</p>
<p>Asset Register</p>	<p>The asset register was reviewed at the Annual Meeting (42/24-25) and is available on the authority's website. The Clerk/RFO noted that there are additional items to be added.</p> <p>Both audit and insurance figures are included on the asset register.</p> <p>The insurance cover exceeds the asset register amount at present.</p>
<p>Data Protection & GDPR</p>	<p>Neither Officers nor councillors have received specific data protection training. Advised that CAPALC can assist with this.</p> <p>The council is utilising CAPALC's DPO service.</p> <p>The council is using password protected Microsoft 365 Business Premium with access limited to staff members but is considering a change. Edge, Microshade and Cloudy IT are all being explored.</p>

	<p>The Clerk/RFO is aware of the need for implementation of a Subject Access Register, a log of data breaches and a ROPA.</p> <p>A Privacy notice is displayed on the authority's website.</p>
Management of Information	<p>The council should adopt a Record Retention Policy. SLCC produces a model document which can be easily adapted to suit.</p> <p>There is a shredder in the office for disposal of documents.</p>
Email Addresses	<p>The council is using .gov.uk domain for all councillors and staff emails, as well as for the website.</p> <p>The council uses Vision ICT for emails but is considering moving to another provider.</p> <p>Contact details for Clerk and Councillors are available on the website.</p> <p>The Clerk/RFO uses a disclaimer within their email signature.</p>

Risk Management

Process	Notes
Unusual Financial Activity	A sample check of payments made was undertaken and nothing unusual was identified.
Risk Assessments	<p>There is a comprehensive general risk management assessment in place, but this requires updating/review.</p> <p>Separate risk assessments are in place for the market and the Christmas lights/tree.</p> <p>Any issues identified at risk assessment are progressed by staff.</p>
Annual Assessment of Current Procedures	<p>The council should review the general risk assessment before the end of the financial year to enable Section C of the IA AGAR report to be signed off.</p> <p>A review should then be conducted annually, perhaps at the Annual Meeting.</p>

Employment

Process	Notes
Clerk	<p>There is a formal contract in place for the Clerk/RFO and the job description was reviewed in October 2024. The National Pay Agreement uplift has been implemented.</p> <p>The Clerk had an appraisal in October 2024.</p> <p>All staff are enrolled in The Pensions Trust scheme and the council is registered with the Pensions Regulator.</p>
Payroll	<p>The council manages its own payroll using Basic Tools but is considering a move to an external provider as the size of the staff team grows.</p> <p>There is ample evidence of monies owed for PAYE deductions and employer NI being made to HMRC.</p>
Other Staff	<p>The Deputy Clerk and others all have contracts in place and an annual appraisal system is in operation. It is note two staff members are still within their probation period.</p> <p>The Clerk/RFO is line manager for all other staff.</p>

Finance

Process	Notes
Precept	<p>The 24/25 precept is £144,786.44 and was agreed by Full Council on 19th Dec 2023.</p> <p>The 25/26 budget/precept demand is to be considered by the F & G committee imminently, with the intention being that the committee's recommendation will be considered by Full Council on 17th December 2024.</p>
Budget	<p>The formal budget for 24/25 is available online and evidenced as approved in the relevant minutes.</p> <p>There is S137 allocation in budget</p>

	<p>The budget is considered appropriate for the council's assets and projects.</p> <p>There is clear evidence of regular budgetary control through the F & G committee.</p>
Reserves	<p>At the time of the mid-year audit, General Reserves totalled £160,528 and Earmarked Reserves £35,408.</p> <p>The council is holding reserves in two relatively new savings accounts – one with Cambridge Building Society and the other with Redwood Bank.</p> <p>The Clerk/RFO advised that the F & G committee is aware of the need for implementation of an Investment Strategy before the end of year audit.</p>
Bank	<p>The council has a Unity Trust Bank current account and operates this with dual signatories.</p> <p>Bank reconciliations are regular and are reported to the F & G Committee. The council should ensure its processes for signing the bank reconciliations/statements match those detailed within its Financial Regulations – namely FR 2.2.</p> <p>The council has included an additional requirement in FR 5.3 and should ensure Members undertake these checks or remove the wording when the Financial Regulations are reviewed.</p>
Cashbook	<p>The authority is using Scribe accounting software, and the electronic cashbook is kept up to date.</p> <p>All payments within the transaction sample were properly authorised and supported with invoices/receipts.</p> <p>All income in sample was properly recorded</p> <p>The Clerk/RFO confirmed that Market Traders are invoiced for their fees.</p> <p>Receipts are not routinely sent but are available if requested.</p>
S137	<p>There has been one grant made through S137, and this is recorded separately in the cashbook.</p>

	<p>The S137 budget is well within the annual limit.</p> <p>It is noted that the council is now exercising GPC.</p>
Petty Cash	<p>The council does not operate a Petty Cash system.</p> <p>The authority has a Lloyds credit card through Unity Trust Bank, and this has a £1,000 per month limit. An increase to this should be considered now the council's expenditure is increasing. The Clerk should not need to use a personal credit card to make payments where the monthly limit has been exceeded.</p>
Purchases	<p>A sample test was undertaken which evidenced that purchasing is being undertaken in accordance with Financial Regulations and Proper Practices.</p>
VAT	<p>The council is not VAT registered, and 126 claims are made as required, but at least annually.</p> <p>The last claim was made in April 2024 and there is evidence of funds being received back into the council's bank account.</p> <p>The Clerk/RFO advised that a secondary claim will be made shortly as there is now over £2,000 owing.</p>

Engaging Contractors

Process	Notes
Best Value	There is evidence of the council seeking and considering multiple quotes for purchases.
Contractor	To be covered at the end of year audit.

Services

Burial Authority ~~Yes~~/No

Process	Notes
Burial Records	
Processes	
Closed Churchyard	

Playground ~~Yes~~/No

Process	Notes
Playground/LEAPs	

Allotments Yes/No

Process	Notes
Allotments	

Defibrillators Yes/No

Process	Notes
Defibrillators	<p>The council is responsible for one defibrillator, and this is registered with The Circuit.</p> <p>The unit is covered by the council’s insurance and the process for regular checks will be covered at the end of year audit.</p>

AGAR

In order to be able to sign off the AGAR the following processes need to be checked and notes made where appropriate. Some areas refer back to the checks completed earlier in the internal audit process:

AGAR Box	Process	Notes
A I	<p>Appropriate Accounting Records have been kept throughout the year. Periodic bank reconciliations were properly carried out during the year (Para 5.10 to 5.23)</p>	<p>Sample check undertaken and all appears to be in good order.</p> <p>Bank reconciliations are filed, reported to committee and signed for all council bank accounts.</p>

B	The Authority complied with its financial regulations, payments were supported by invoices, all expenditure was approved and VAT was appropriately accounted for <i>(Para 5.39 to 5.47)</i>	Sample checked and all appears to be in good order.
C	The Authority assessed the significant risks to achieving its objectives and reviewed the adequacy of arrangements to manage these <i>(Para 5.84 to 5.93)</i>	TO BE COVERED AT YEAR END
D	The Precept resulted from an adequate budgetary process, progress against the budget was regularly monitored; and reserves are appropriate <i>(Para 5.24 to 5.27)</i>	Budgetary processes were examined and found to be in order for 24/25 financial year. The 25/26 process will commence shortly and will be reviewed at the end of year audit.
E	Expected income was fully received based on correct prices, properly recorded and promptly banked and VAT appropriately accounted for <i>(Para 5.46 to 5.47)</i>	TO BE COVERED AT YEAR END

<p>F</p>	<p>Petty Cash payments were properly supported by receipts, all petty cash expenditure was approved and VAT appropriately accounted for <i>(Para 5.44)</i></p>	<p>THERE IS NO PETTY CASH SYSTEM IN USE</p>
<p>G</p>	<p>Salaries to employees and allowances to members were paid in accordance with the authority's approvals, and PAYE and NI requirements were properly applied <i>(Para 5.48 to 5.51)</i></p>	<p>Contracts are in place for all staff and there is evidence that PAYE & NI requirements have been met.</p> <p>There is a pension scheme in operation.</p>
<p>H</p>	<p>Asset and investment registers were complete and accurate and properly maintained. <i>(Para 5.56 to 5.66)</i> This section / assurance should be extended to include loans to or by the authority <i>(Para 5.67)</i></p>	<p>TO BE COVERED AT YEAR END</p>
<p>J</p>	<p>Accounting statements prepared during the year were prepared on the correct accounting basis (receipts and payments or income and expenditure), agreed to the cashbook, supported by an adequate</p>	<p>TO BE COVERED AT YEAR END</p>

	audit trail from underlying records and where appropriate, debtors and creditors were properly recorded <i>(Para 5.120 to 5.199)</i>	
K	If the Authority certified itself as exempt from a limited assurance review in the prior year, it met the exemption criteria and correctly declared itself exempt <i>(Para 5.200 to 5.204)</i>	N/A – the authority had a limited assurance review in 2023/24
L	The Authority publishes information on a website/web page, and complies with the relevant Transparency Code <i>(Para 5.71 to 5.74)</i>	The council publishes all the information that is required by the relevant Transparency Code.
M	The Authority has, during the previous year, correctly provided for the period for the exercise of public rights as required <i>(Para 5.75 to 5.83)</i>	It is evident from the authority's website that the exercise of public rights was properly provided for in 2023/24.
N	The Authority complied with the publication requirements for the prior year AGAR	The council met the publications requirements for 2023/24 AGAR
O	Trust Funds (including charitable) – the Council has met its responsibilities as a trustee <i>(Para 5.105 to 5.115)</i>	NOT RELEVANT