

## Internal Audit Recommendations 25/26

Section	Issue	Who to remedy	Target Date	Date Remedied	How was it Remedied
1 - Financial Regulation and Standing Orders	RECOMMENDATION: NALC released an updated version of the model standing orders in April 2025. NALC have updated Model Standing Order (England) section 18 to comply with new procurement legislation and ensure consistency with the NALC Model Financial Regulations. The changes are to 18.a.v, 18.c, 18.d, and 18.f. NALC have also updated Model Standing Order (England) section 14 to better reflect Code of Conduct requirements. 14.a, 14.b, and 14.c have been removed. They have also changed the language in the document to gender-neutral terms to align with the Civility and Respect Policy. This was a comment on the previous Internal Audit Report which has not been actioned.	Clerk/Councillors	Jun-26		
1 - Financial Regulation and Standing Orders	RECOMMENDATION: Council should review their financial regulations annually, and update to the latest model published by NALC, March 2025 with provisions included as outlined under NALC Advice Note – Procurement, 3 February 2026 link to view the advice note.	Clerk/Councillors	Jun-26		
2 - Budgetary controls	COMMENT: Council is advised to consider recording the quarterly budget monitoring exercise within its minutes.	Clerk	Jul-26		
2 - Budgetary controls	COMMENT: council is advised to note guidance as issued by Proper Practices which states that it is regarded as acceptable for a council's general (non-earmarked revenue) reserves to be equal to 3 to 12 months of Net Revenue Expenditure. There is no upper limit for earmarked reserves, but they should be held for genuine and intended purposes and their level subject to regular review and justification (at least annually).	Clerk/Councillors	Jul-26		
3 - Proper Bookkeeping	Additional comments: council might wish to ensure that the cashbook and/or minutes make reference to the powers used to incur expenditure. Statutory powers are granted by Parliament and give local councils the choice or opportunity to take action and are therefore discretionary. Like all powers given to public bodies the powers of local councils are defined in detail in legislation and these details may include a requirement to obtain the consent of another body. Local Councils must exercise their powers subject to the provisions of the general law. (Similar comment listed under Section 4 - payment controls)	Clerk	Jul-26		

4 - Payment controls	<p>COMMENT: council is advised to ensure that the procedure to be followed for the making of such payments contains evidence of the dual authorization process used for the release of payments made via direct transfer and the mitigation measures in place for payments made by direct transfer including but not limited to the system of internal control and the personnel involved with the internal control regime.</p> <p>Additional comments: The Council might wish to consider, in order to show good practice, implementing a system whereby evidence is retained showing which Councillors authorised the on-line payments thereby ensuring that there is an effective system in place to reduce the risks of error for such payments. This not only protects the RFO but will fulfil an internal control objective to ensure the safeguarding of public money.</p>	Councillors	Ongoing		
5 - Income controls	<p>RECOMMENDATION: A report detailing the dates CIL payments are received along with timescales by which the monies should be expended, would help to ensure that CIL monies are spent within 5 years of receipt. This should include dates for expenditure.</p>	Clerk	Jul-26		
7 - Bank reconciliation	<p>Comment: The minutes of Full Council meetings, demonstrate that Councillors receive a finance report ahead of the meeting, and mostly that no questions are asked, but the minutes do not evidence a review of the bank reconciliation versus the bank statements has been undertaken. This is not only good practice but is also a safeguard for the RFO and fulfils one of the authority's internal control objectives.</p>	Clerk/Councillors	Jun-26		
8 - Payroll controls	<p>RECOMMENDATION: Council should ensure that it records evidence through its minutes, that it has complied with its duties as an employer with regards to automatic enrolment and that it has completed and submitted a declaration of compliance to the Pension Regulator</p>	Clerk/Councillors	Jul-26		
9 - Year End Procedures	<p>RECOMMENDATION: Assertion 4 should be ticked No as the exercise of electors rights was not carried out in accordance with the requirements of the Audit and Account Regulations.</p>	Clerk/Councillors	Jun-26		
10 - Risk Management	<p>RECOMMENDATION: as council is unable to demonstrate that, in accordance with Proper Practices, the risks are being annually reviewed, assessed and appropriate measures are in place to protect public money, it should consider its response to Assertion 5 on the Annual Governance Statements for the year ending 31 March 2026.</p>	Clerk/Councillors	Jun-26		
10 - Risk Management	<p>COMMENT: Council has ensured that it is able to demonstrate that it has reviewed the risks facing the Council in transacting its business and has taken out appropriate insurance to manage and reduce the risks relating to property, cash and legal liability (amongst other things).</p>	Clerk/Councillors	Sep-26		

11 - Asset Control	Comment: There is a one penny discrepancy in the Asset Register and the declared value on the Annual Return.	Clerk	Jun-26	Jun-26	The Asset Register should read £44,107 and not £44,106. The AGAR figure is correct
12 - Assertion 10	COMMENT: Under the Freedom of Information Act 2000, public authorities must provide access to information held which must be published proactively. The Freedom of Information Act requires every public authority to have a publication scheme and to publish information covered by the scheme. Council should seek to review the information it holds under its scheme and ensure that it is up to date and ensure that it is available to view on its website.	Clerk/Councillors	Jul-26		
12 - Assertion 10	RECOMMENDATION: To achieve best practice, councils are recommended to: <ul style="list-style-type: none"> <li>• Carry out regular reviews of its GDPR policies.</li> <li>• Carry out data protection audits, mapping personal data being processed and carrying out data risk assessments.</li> <li>• Provide regular data protection compliance training for council staff and councillors.</li> <li>• Have appropriate information compliance policies and ways of working in place that reflect how the council operates to protect personal data from breaches</li> <li>• Adopt procedures for dealing with data breaches.</li> <li>• Carry out Impact assessments.</li> </ul>	Clerk/Councillors	Aug-26		
12 - Assertion 10	COMMENT: to ensure that the council website complies with the regulations, it is best practice to test for website accessibility at least annually.	Clerk/Councillors	Jul-26		
12 - Assertion 10	RECOMMENDATION: that council adopts an IT policy that mandates the use of authority-owned email accounts for official business. These policies are designed to ensure that all communications are conducted in a manner that is consistent with the authority's standards and legal obligations. It is important to personalise the template for the specific use of your authority.	Clerk/Councillors	Jul-26		