INTERNAL AUDIT PROGRAMME FOR LOCAL COUNCILS – 2026/27 – including Assertion 10

1. PROPER BOOK KEEPING
   a. Is the cash book maintained & up to date?
   b. Is the cash book arithmetically correct?
   c. Is the cash book regularly balanced?

2. PAYMENT CONTROLS
   a. Has the Council formally adopted standing orders and financial regulations?
   b. Has a Responsible Financial Officer been appointed with specified duties?
   c. Are payments in the cash book supported by invoices, authorised and minuted?
   d. Are payments correctly coded?
   e. Has VAT on payments been identified, recorded and reclaimed?
   f. Have items or services above a de minimis amount been competitively tendered?
   g. Are large capital contracts correctly administered?

3. RISK MANAGEMENT ARRANGEMENTS
   a. Does a scan of the minutes identify any unusual financial activity?
   b. Do the minutes record the council carrying out an annual risk assessment?
   c. Is insurance cover appropriate and adequate?
   d. Are arrangements in place to provide continuity in the clerk's absence?
   e. Are published management reports correct?

4. BUDGETARY CONTROLS
   a. Has the council prepared an annual budget in support of its precept?
   b. Is actual expenditure against the budget regularly reported to the council?
   c. Are there any significant unexplained variances from budget?

5. INCOME CONTROLS
   a. Is income properly recorded and promptly banked?
   b. Is all income due to the council collected?
   c. Do prices charged agree with those set by the Council?
   d. Is VAT output tax treated correctly?
   e. Are security controls over cash adequate and effective?
   f. Does the precept agree with that approved in the previous year's budget?

6. PETTY CASH CONTROLS
   a. Is all petty cash spent recorded and supported by VAT invoices/receipts?
   b. Is petty cash expenditure reported to the council?
   c. Is petty cash reimbursement carried out regularly?

7. PAYROLL CONTROLS
   a. Do all employees have contracts of employment with clear terms and conditions?
   b. Do salaries agree with those approved by the Council?
   c. Are other payments to employees reasonable, properly supported and approved by the council?
   d. Are all payments and deductions correctly coded and suspense accounts promptly cleared?
   e. Has PAYE/NIC been properly operated by the council as an employer?
   f. Have pension contributions been correctly calculated and paid over?
   g. Has the correct amount of net pay been made to the correct employee?

8. ASSETS CONTROLS
   a. Does the council keep an asset register of all material assets owned?
   b. Are the asset/investment registers up to date?
   c. Is the basis of valuation correct?

9. BANK RECONCILIATION
   a. Is there a bank reconciliation for each account?
   b. Is bank reconciliation done regularly and in a timely fashion?
   c. Are there any unexplained balancing entries in any reconciliation?
   d. Is the value of investments held summarised on the reconciliation?

10. YEAR END PROCEDURES
    a. Are year-end accounts prepared on the correct basis?
    b. Do the accounts agree with the cash book?
    c. Do the comparative figures agree with last year's statements?
    d. Are there any significant unexplained variances from budget?
    e. Is there an audit trail from the underlying records to the accounts?
    f. Where appropriate have debtors and creditors been properly recorded?
    g. Is s137 expenditure separately recorded and within limits?
    h. Are investments verified by statements or passbooks?
    i. Are reserve funds adequate and regularly reviewed?
    j. Are there any obvious errors or inconsistencies in the financial statements?
    k. Do the figures on section 1 of the annual return agree with the financial statements?
    l. Has the Council correctly accounted for and met responsibilities for Trust Funds in its care?
    m. Have agreed audit recommendations been implemented?

11. EXEMPTION CRITERIA MET
    a. If the authority certified itself as exempt last year, was the exemption was correct?

12. TRANSPARENCY CODE COMPLIANCE
    a. Ensure that the AGS contains the Council's website address
    b. Ensure that the last 5 years of AGARs are published on the Council's website
    c. Confirm there are no known FOI issues
    d. The authority published the required information on a website/webpage up to date at the time of the internal audit in accordance with the relevant legislation.

13. PROPER EXERCISE OF PUBLIC RIGHTS
    a. Did the authority correctly provided the proper opportunity for the exercise of public rights as per the Accounts and Audit Regulations during the previous summer?

14. AGAR PUBLICATION COMPLIANCE
    a. Did the authority comply with the publication requirements as laid out on the previous year's AGAR?

15. ASSERTION 10: DIGITAL AND DATA COMPLIANCE
    a. Ensure local authority has, as a minimum, a single generic email address on an authority-owned domain
    b. Check that website accessibility has been tested, at least annually, and that the accessibility statement has been updated as required
    c. Check when the authority last completed a data audit
    d. Ensure the authority has prepared and formally adopted a data protection policy that is reviewed at least once annually
    e. Ensure the authority has an up to date IT policy in place
    f. Ensure that the Council has published the ICO publication scheme on its website