



Hurstpierpoint & Sayers Common Parish Council
Email: office@hurstpierpoint-pc.gov.uk
Website: www.hurstpierpoint-pc.gov.uk
Telephone: 01273 833264

Village Centre
Trinity Road
Hurstpierpoint
West Sussex BN6 9UY

INTERNAL CONTROLS

Reviewed 16 & 18 September 2025.

Presented to Council on 25 September 2025.

INTERNAL CONTROLS

1. Introduction	3
2. Action Updates	3
3. Regulatory Documents	4
4. Income Controls	5
5. Payment Controls	6
6. Payroll Controls	7
7. Petty Cash Controls	8
8. Fidelity Protection	9
9. VAT Controls	10
10. Savings and Investments	10

1. Introduction

The Council is required to undertake a review of the effectiveness of the internal controls in each Parish Council year. It is important to note that this is not a matter for delegation to the Clerk and this review will be presented to Council each year for approval and re-adoption.

Under the Financial Regulations the Parish Council is responsible in law for ensuring that its financial management is adequate and effective and that the Parish Council has a sound system of internal control in accordance with proper practices, which facilitates the effective exercise of the council's functions, including arrangements for the management of risk.

The set of internal controls demonstrate how the Parish Council meets these responsibilities and requirements.

A summary of achievements and any areas for development are listed within each notes area.

(New actions required are highlighted in red)

2. Action Updates from March 2025

This section gives an update on the "Red" actions identified on the previous report (from September 2024) to show they have been addressed.

Area of Review: Payment Controls

Test	Recommendation from March 2025	Action Taken
Ensure petty cash vouchers are authorised in advance by the RFO, and within relevant budget limits.	Re-visit use of cash and investigate latest position with company debit cards.	Decision made not to proceed at FGE. Unity Trust Bank now offer a "corporate purchasing card" managed via Lloyds Bank. £50 set-up fee and £3/month charge.
Payment Controls	Requirements for copies of Risk Assessments, PPE, Insurance Documents and Qualifications, if appropriate, to be added to every Works Order/Purchase Order.	Some examples where appropriate e.g. JMR April 2025 Court Bushes.
Payment Controls	All regular contractors approved by FGE Committee in March, to be issued with a WO on 1 April each year.	Works Orders to be issued to key contractors, where contracts don't exist.
Payment Controls	For very small amounts e.g. such as stationary, an email "Works Order" is sufficient	Noted.

Internal Controls

3. Area of Review: Regulatory Documents

Test	Minute No.	Notes
A) Minute Reference of review and adoption of Standing Orders	C25/26.009	Council Meeting 22 May 2025
B) Minute Reference of review of and adoption of Financial Regulations	C25/26.010	Council Meeting 22 May 2025
C) Minute Reference of review of 2023/24 Internal Audit Report	C25/26.017	Council Meeting 22 May 2025
D) Minute Reference of adoption of Annual Governance and Accounting Return (AGAR) Section 1: Governance Statement	C25/26.018.1	Council Meeting 22 May 2025
E) Minute Reference of adoption of AGAR Section 2: Accounting Statement	C25/26.018.2	Council Meeting 22 May 2025
F) Minute Reference of Approval of Internal Audit Certificate	C25/26.018.3	Council Meeting 22 May 2025
G) Minute Reference of Approved Notice of Electors Rights	C25/26.018.4	Council Meeting 22 May 2025
H) Minute Reference of adoption of annual budget	C24/25.124	Council Meeting 23 January 2025
I) Minute Reference of review of annual fees and charges	C24/25.098.3	Council Meeting 28 November 2024
J) Minute Reference of adoption of Asset Register and confirmation the content is reviewed six monthly under Internal Controls	C25/26.016	Council Meeting 22 May 2025 adopted Reviewed 31 March 2025.
K) Minute Reference of assessment of significant risks and review of arrangements to manage these	C25/26.026	Council Meeting 22 May 2025
L) Appropriate Insurances are in place to cover risks	C25/26.019	Council Meeting 22 May 2025. Insurance Renewal Date 1 June 2026. Van Insurance Renewal 10 September 2025.
M) The Register of Member's Interests are kept up to date and signed declaration of acceptance of office are on file	YES	Signed copies on file for all Cllrs of Declaration of Acceptance of Office. Register of Interests published on Website. New template issued by MSDC August 2025 for action. Confirm responses received.

Date review carried out: 16th September 2025

By: Cllr Duncan Ranger, Chair of Finance, Governance & Estates Committee & Sarah Groom, Clerk

Signed: *Duncan Ranger*

Internal Controls

4. Area of Review: Income Controls

Test	Y/N	Notes
A) Confirm the FG&E Committee records monthly checks of receipts, bank recs, balance sheet, nominal ledger and agreed coding of income.	YES	Vice Chair of FGE Cttee sign bank reconciliations.
B) Ensure that precept is received on time and is the amount agreed in the budget.	YES	1 st Paid into the Bank on 30.04.25 and 2 nd payment due on 30.09.25.
C) Ensure that rents from the Bowling Club, Tennis Club, WSALC, Chantry Stables and Allotments are received and banked regularly.	YES.	Invoices prepared and sent on time. Receipts confirmed.
D) Ensure bank interest is banked and coded correctly.	YES	
E) Ensure sales invoices (Cemetery and Court Bushes hirers) are correctly made out and VAT accounted for where applicable.	YES	VAT Not Applicable.
F) Ensure monies received meet invoices raised and are banked properly.	YES	Sales Invoice checked for: Cemetery C252607. Invoice in different name from payee.
G) Ensure receipts are properly recorded in the cash book.	YES	
H) Ensure credit controls are in place to keep debts to a minimum especially at end of financial year.	YES	Most sales invoices paid in advance or as required by Leases. Accrual process in place.
I) Ensure that more than one person is present when significant amounts of cash over £300 are received and counted.	YES	It is rare to receive large sums of money in cash. The last receipt was on 27.9.21 for £500 for the sale of the old green works van.
J) Ensure receipts are issued for cash receipts over £10.	YES	

Date review carried out: 16th September 2025

By: Cllr Duncan Ranger, Chair of Finance, Governance & Estates Committee & Sarah Groom, Clerk

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Internal Controls

5. Area of Review: Payment Controls

Test	Y/N	Notes
Confirm the FG&E Committee records monthly checks of payments, bank recs, balance sheet, nominal ledger and agreed coding of expenditure.	YES	Vice Chair of FGE Cttee sign bank reconciliations.

Test	Invoice 1	Invoice 2	Invoice 3
Payee	Zen Internet	V. Aloy	S. Witchell
Amount (In Gross)	£69.60	£24	£25.99
Date Paid	14.4.25	23.5.25	7.5.25
A) Check that payment authority has been recorded or minuted. (Every payment reviewed/agreed at each FGE.)	Y	Y CE & Email CM 23.5.25	Y (Email DR 6.5.25)
B) Check that the Works or Purchase Order issued agrees with the authorisation.	Contract agreed by Committee.	N.A.	N.A.
C) Check that invoice being paid corresponds with the Works or Purchase Order.	Y	Y	Y (£2 less)
D) Check that the works are completed or the good are received for the invoice being paid.	Y	Y	Y
E) Check that invoice has been entered correctly on the RBS system, including any VAT.	Y (see Note 1)	Y	Y
F) Check that payment is within reasonable time period as per the payment terms.	Y (DD)	Y	Y
G) Confirm payment has gone through the bank.	Y	Y	Y
H) Are all contractors used "approved".	N.A.	N.A.	N.A.
I) If appropriate, Risk Assessments, PPE, Insurance Documents and Qualifications on file.	N.A.	N.A.	N.A.

Note 1 – Incorrectly logged on Rialtas to wrong company.

Date review carried out: 18th September 2025

By: Cllr Duncan Ranger, Chair of Finance, Governance & Estates Committee & Sarah Groom, Clerk

Signed: *Duncan Ranger*

Internal Controls

6. Area of Review: Payroll

Test	Y/N	Notes
A) Are all employees in payroll system? (Check there are no ghost employees.)	YES	
B) Do all employees have contracts of employment?	YES	Template agreed at each May Council meeting.
C) Are salaries prepared correctly?	YES	By WSCC Payroll.
D) Are National Insurance deductions applied correctly by WSCC?	YES	Spreadsheet confirms correct rates charged.
E) Are Payroll records being kept correctly?	YES	
F) Has the Leavers Checklist been completed for any leavers? (Keys, ID, Laptop, Banks, Sharepoint, Email closed)	YES	P45's are sent directly to leavers by WSCC Payroll.
G) Whether P60's (End of Year Tax Certificate) are issued annually?	YES	P60's are put on self-service portal by WSCC Payroll.
H) Are all employees in the Local Government Pension Scheme or National Employment Savings Trust (NEST) if applicable? And if not is there written evidence of their opting out?	YES	All employees are in the LGPS.
I) Are Pension contribution rates (Employee) applied correctly by WSCC?	YES	Spreadsheet confirms correct rates charged.
J) Are correct payments made to Pension Authority by WSCC?	YES	Annual Pension Benefits Statements issued to each employee.
K) Are three yearly Pension auto-enrolment completed and reported to the Pension Regulator (due Aug 2027 - unless an employee opts out)	YES	All employees enrolled in Local Government Pension Scheme.
L) Are annual pay awards advised in writing?	YES	Includes reference to NI and Pension contributions.
M) Are councillor allowances prepared correctly (where applicable)?	YES	By WSCC Payroll.

Date review carried out: 16th September 2025

By: Cllr Duncan Ranger, Chair of Finance, Governance & Estates Committee & Sarah Groom, Clerk

Signed: *Duncan Ranger*

Internal Controls

7. Area of Review: Petty Cash

Test	Y/N	Notes
A) Is Petty Cash kept securely?	YES	Petty cash tin locked and kept in locked safe.
B) Ensure petty cash vouchers are authorised in advance by the RFO, and within relevant budget limits.	YES	
C) Ensure Petty Cash is reimbursed correctly.	YES	
D) Ensure vouchers are entered correctly in cash book.	YES	
E) Ensure Petty Cash is reconciled at least every quarter or as required.	YES	Cashbook reconciliation reported to FG&E Committee quarterly or as required.

Date review carried out: 16th September 2025

By: Cllr Duncan Ranger, Chair of Finance, Governance & Estates Committee & Sarah Groom, Clerk

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Internal Controls

8. Area of Review: Fidelity Protection

Test	Y/N	Notes
A) Is Fidelity Insurance Protection in place?	YES	
B) Do internal auditors audit the accounts every six months?	YES	Currently Mulberry & Co. Next Internal Audit booked for 15/10/25.
C) Are satisfactory references obtained from current and former employers and DBS checks made for the recruitment process?	YES	Process to obtain references in place. DBS Check for all staff are in place.
D) Have there been any questions raised about the honesty of an employee?	NO	
E) Has the Council appointed a competent person as Responsible Finance Officer?	YES	The Clerk is CiLCA qualified (Certificate in Local Council Administration)
F) Are bank statements, payments and receipts checked at least monthly against the RBS system?	YES	Checked by the Finance, Governance & Estates Committee each month and signed by the Vice-Chair.
G) No more than £1,000 cash is kept in the safe at any one time.	YES	N.B. Check level of insurance cover.
H) Are cheques and cash paid into the bank at least monthly?	YES	
I) If cheques are issued, are they signed by at least two councillors.	YES	No cheques issued since 17/11/22. (Checked 6.3.25)
J) Are two employees required to authorise BACS payments?	YES	Clerk/RFO and Assistant Clerk (AC2).
K) Has Council approved all Direct Debit authorisation?	YES	Renewed at each May Council. 22 May 2025 Minute C24/25.021.
L) Has the computer security been vetted by a professional company?	YES	Joel Baker Computers used. Clerk and Consultant in regular contact.
M) Are employees required to keep passwords secure at all times?	YES	Facial recognition used for log-in.
N) Are Cllr and employee expense claims checked against receipts?	YES	

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Internal Controls

9. Area of Review: VAT Controls

Test	Y/N	Notes
A) Are VAT records properly maintained?	YES	Manual data entry by Clerk and VAT report created automatically in RBS.
B) Are VAT forms submitted correctly each quarter?	YES	Reported to FG&E Committee each quarter for noting.
C) Is VAT income paid correctly and on time?	YES	Bank statements and RBS used to verify receipts.

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10. Area of Review: Savings & Investments (New)

Test	Y/N	Notes
A) Are savings and investments regularly reviewed.?	YES	Bank reconciliations and interest rates are checked at every FGE Committee meeting.
B) Are savings and investments held in a diverse range of banks/building societies and shares?	YES	Savings and investments held with seven different organisations -banks, building societies and the CCLA.
C) Are credit ratings carried out for each bank etc used, six monthly?	TBC	These will be reviewed six monthly and reported to FG&E Committee for noting/action.

Date review carried out: 16th September 2025

By: Cllr Duncan Ranger, Chair of Finance, Governance & Estates Committee & Sarah Groom, Clerk

Signed: *Duncan Ranger*