Please see page 10 for explanation on not covered - F (highlighted)
Please see page 14 for explanation on not covered - K (highlighted)

Please see page 11 supporting information on No - B (highlighted)
Please see page 8 supporting information on No - O

Bentham Town Council

Internal Audit Review May 2026

Covering Dates between:
April 2025 – March 2026

Provided by: Account-ant Yorkshire Limited
For: Clerk: Claire Burrows
Date Issued: 19th May 2026

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Introduction & Scope

I. Local councils in England must complete an Annual Governance and Accountability Return (AGAR) which includes an Annual Governance Statement, Accounting Statements, and an Annual Internal Audit report.

II. Proper practices for Town Councils and the preparation of the AGAR are included in Joint Panel on Accountability & Governance (Practitioner's Guide) March 2026. A copy of which can be found on nalc.gov.uk.

III. Internal Audit is a key component of the council's system of internal control. The purpose of internal audit is to review and report to the council on whether its systems of financial and other internal controls and procedures are effective.

IV. As part of the AGAR, the council's internal auditor, acting independently and on the basis of an assessment of risk, carries out assessments of compliance with relevant procedures and controls in operation throughout the financial year.

V. We commenced our assessment of the records and Governance for the Financial Year 2025/26 for Bentham Town Council in May 2026.

VI. All aspects of internal audit were covered.

Findings

Proper Bookkeeping

Bentham Town Council uses an Accounting System called Scribe to record all financial transactions. The system is arithmetically correct. Monthly Reconciliations are undertaken and subsequently presented to the Finance & General Purposes Committee & Full Council.

Standing Orders and Financial Regulations

Standing Orders and Financial Regulations were agreed at Full Council on 12th May 2025. These documents are reviewed yearly at the Annual Meeting however, the Financial Regulations on the website are the 2024 document and not the 2025 document. See recommendations

These can be found on the website.

https://www.benthamtowncouncil.gov.uk/wp-content/uploads/2024/11/Bentham-Standing-Orders-2025-updated-1.pdf

https://www.benthamtowncouncil.gov.uk/wp-content/uploads/2024/11/30.1-Updated-Financial-Regulations-2024.pdf

Legislatory Requirements

Transparency Code:

https://www.gov.uk/government/publications/local-government-transparency-code-2015

Whilst Bentham does not need to comply with the same requirements as a Council over £200,000 income and Expenditure, we have found a number of smaller councils adopting this requirement for the purposes of enhanced transparency.

For information, a Council with income and/or expenditure exceeds £200,000 in a financial year must comply with certain aspects of the code as listed below:

Expenditure exceeding £500

Government Procurement Card transactions over £5000 including invitation to tender

We would expect to see these updated monthly as a minimum

Yearly the council must also publish information on

- local authority land (see paragraphs 35 to 37)
- social housing assets (see paragraphs 38 to 41)
- grants to voluntary, community and social enterprise organisations (see paragraphs 42 and 43)
- organisation chart (see paragraph 44)
- trade union facility time (see paragraph 45)
- parking account (see paragraph 46)
- parking spaces (see paragraph 47)
- senior salaries (see paragraphs 48 and 49)
- constitution (see paragraph 50)
- pay multiple (see paragraphs 51 and 52), and
- fraud (see paragraph 53)

As and when they happen:
Waste Contracts
Method of Publication (which needs to be accessible)

It is RECOMMENDED rather than required for a Council to publish items of expenditure over £250 – Bentham Town Council publishes all its schedule of payments within the meeting minutes of Full Council.

Policies

We note from review of the meeting minutes and the website the presence of several relevant policies and discussion of such within the meeting minutes

Payment Controls

Purchases above De Minimus

The Financial Regulations state that any contract over £3,000 will require the Clerk to seek 3 fixed quotes and for any amount over £500 they shall try. to receive 3 quotes.

We discussed items over the DeMinimus with the Clerk who provided evidence.

Previously we recommended we would expect to see evidence of 3 quotes against the contracted supplier in Scribe as proof of compliance with Financial Regulations.

Sample Review

The Auditor reviewed a sample of purchase and sales invoices. All items were found to have an audit trail and were authorised. A list of payments is provided to Full Council at each meeting where payments are agreed.

VAT reporting

VAT has been reported and reclaimed correctly.

The council uses Scribe and MTD reporting to provide the information to HMRC.

S137 Expenditure

The Council does not currently hold General Power of Competence.

We have observed a list of S137 payments below.

The s.137 rate for 25/26 was £11.10 per elector. On reviewing NYC's boundary review submission, we have estimated the electors at 2897.

Therefore, total allowable spend under s.137 for the period should be under £32,156.

In November 2024 we observed discussion of Grants for payments 25/26. These have not all appeared on the S137 listing for the period

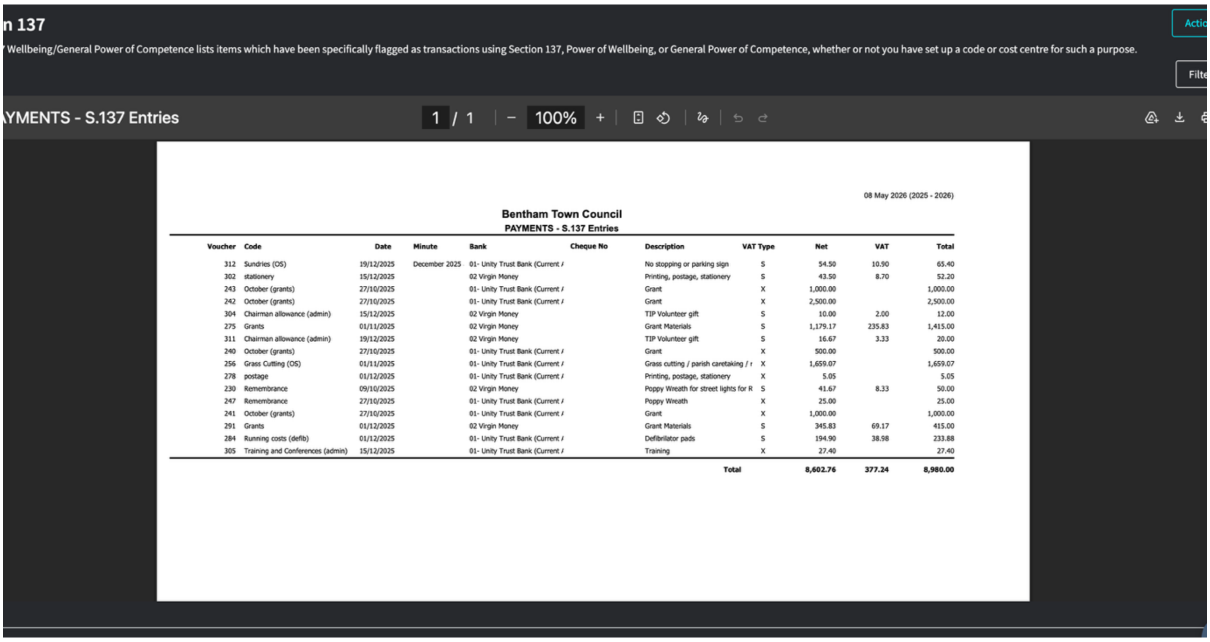
Organisation	Grant approved
Cancer Care	£150
Collingwood & Longstaffes	£450
Goodenber Play Area	£1,000
The Pantry Bentham	£500
Age Concern Bentham	£500
Springfield Bowling Club	£250
Community Link Café	£250
Low Bentham Public Hall and Victoria Institute	£2,000
Bentham Playing Fields Association	£5,000
The Bay Prostate Cancer Support Group	£300
Bonfire	£1,000
LASRUG	£200
Friends of Bentham Station	£150
Youth Club	£500

In November 2025 we observed discussion of Grants for payment in 26/27

Organisation	Amount
Bentham and Dementia Friendly Community	£1,000
Ingleton & Bentham Twinning Group	£150
CancerCare	£150
Community Link Café	£300
Collingwood and Longstaffe Charity	£500
Dales Youth	£500
Friends of Bentham Station	£250
LASRUG	£200
Bentham Playing Fields	£6,000
PTFA Bentham Primary School	£2,000
Low Bentham Public Hall and Victoria Institute	£1,500

Organisation	Amount
Bentham Community Bonfire	£1,000

The post grant reports will be presented at the Annual General Meeting.



n 137

Wellbeing/General Power of Competence lists items which have been specifically flagged as transactions using Section 137, Power of Wellbeing, or General Power of Competence, whether or not you have set up a code or cost centre for such a purpose.

YMENTS - S.137 Entries

08 May 2026 (2025 - 2026)

Bentham Town Council

PAYMENTS - S.137 Entries

Voucher	Code	Date	Minute	Bank	Cheque No	Description	VAT Type	Net	VAT	Total
312	Sundries (OS)	19/12/2025	December 2025	01- Unity Trust Bank (Current /		No stopping or parking sign	S	54.50	10.90	65.40
302	stationery	15/12/2025		02 Virgin Money		Printing, postage, stationery	S	43.50	8.70	52.20
243	October (grants)	27/10/2025		01- Unity Trust Bank (Current /		Grant	X	1,000.00		1,000.00
242	October (grants)	27/10/2025		01- Unity Trust Bank (Current /		Grant	X	2,500.00		2,500.00
304	Chairman allowance (admin)	15/12/2025		02 Virgin Money		TIP Volunteer gift	S	10.00	2.00	12.00
275	Grants	01/11/2025		02 Virgin Money		Grant Materials	S	1,179.17	235.83	1,415.00
311	Chairman allowance (admin)	19/12/2025		02 Virgin Money		TIP Volunteer gift	S	16.67	3.33	20.00
240	October (grants)	27/10/2025		01- Unity Trust Bank (Current /		Grant	X	500.00		500.00
256	Grass Cutting (OS)	01/11/2025		01- Unity Trust Bank (Current /		Grass cutting / parish caretaking / r	X	1,659.07		1,659.07
278	postage	01/12/2025		01- Unity Trust Bank (Current /		Printing, postage, stationery	X	5.05		5.05
230	Remembrance	09/10/2025		02 Virgin Money		Poppy Wreath for street lights for R	S	41.67	8.33	50.00
247	Remembrance	27/10/2025		01- Unity Trust Bank (Current /		Poppy Wreath	X	25.00		25.00
241	October (grants)	27/10/2025		01- Unity Trust Bank (Current /		Grant	X	1,000.00		1,000.00
291	Grants	01/12/2025		02 Virgin Money		Grant Materials	S	345.83	69.17	415.00
284	Running costs (defib)	01/12/2025		01- Unity Trust Bank (Current /		Defibrilator pads	S	194.90	38.98	233.88
305	Training and Conferences (admin)	15/12/2025		01- Unity Trust Bank (Current /		Training	X	27.40		27.40
						Total		**8,602.76**	**377.24**	**8,980.00**

Risk Management Arrangements

<u>Risk Assessments</u>

Evidence of the Risk Assessment being resolved with changes in June 2025 under Meeting Point 33.1. Documentation provided by clerk did not have a date. See recommendations

<u>Health & Safety Inspections</u>

The Clerk advised there are no Health and Safety Policies – please see recommendations section which the recommendation is made last year. The Clerk has advised a Health and Safety Policy is on the agenda for the May 2026 meeting.

Unusual Financial Activity

The minutes and accounts have been reviewed for unusual financial activity and none has been identified.

Insurance Cover

The council has insurance policies including Public and Employer's Liability along with assets with James Hallam which is reviewed yearly. Each policy appears to be adequate and appropriate.

James Hallan has been used as an industry specific insurance specialist.

Internal Controls

We have seen evidence of internal control checks undertaken by Councillors.

GDPR & Objective O of the AIAR Internal Control objective O - no

The GDPR and Governance Documents have been reviewed by the Governance Committee.

In 25/26 a new objective has been added to the Annual Internal Audit Report and Annual Governance Statement Sections of the AGAR.

For a "Yes" against Objective O of the AIAR and Point 10 of the AGS, the following guidance has been provided within the Practitioner's Guide

Ensure local authority has, as a minimum, a single generic email address on an authority owned domain.

We have seen evidence of Bentham Town Council does not use a single benthamtowncouncil.gov.uk domain in its communications.

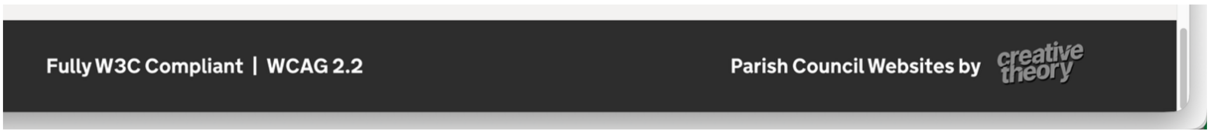
For instance, the website is .gov.uk but our email correspondence with the Clerk has been to their benthamtowncouncil.co.uk domain.

Best practice is the use of a "gov.uk" domain however.

Check that website accessibility has been tested, at least annually, and that the accessibility statement has been updated as required.

The Website Accessibility Statement is dated 2025. To fully comply with Assertion 10/Objective O this should have been updated in 2026. This results in a "no" against objective O.

We note the website documents it's compliant with the version required per Assertion 10.



Check when the authority last completed a data audit.

We have not seen clear evidence of the last data audit being completed. This is usually completed as part of a scan by your IT provider. This also results in a "no" against objective O.

Ensure the authority has prepared and formally adopted a data protection policy that is reviewed at least once annually.

The Council publishes several GDPR-related documents, including Privacy Policies, Records Management Policy, Subject Access Request Policy, CCTV Policy and a Data Processing Agreement. However, I could not identify a standalone document titled 'Data Protection Policy'. The Council should consider whether its current suite of documents sufficiently covers its data protection obligations or whether a single overarching Data Protection Policy should be adopted and published for clarity.

Ensure the authority has an up to date IT policy in place.

The Council has adopted an IT Policy, which provides supporting evidence for AGAR Assertion 10. The audit file should retain the adopted version, minute reference, review date and evidence that it has been communicated to councillors/staff and is reviewed annually.

This document current states a review date of 2028. It should be reviewed annually.

Budgetary Controls

Budget Preparation

We note a comment in the Finance Committee November meeting advising on the agreed precept of £150,000 for the 25/26 year and this being approved within the December meeting minutes along with the Budget.

Furthermore, there is evidence in the Finance Committee meeting minutes of Budget preparation and discussion of Precept for 26/27. This was presented to Full Council in December 2025.

Budget Reviews

We note within the Finance Committee Minutes regular discussion of Budget vs Actual. Performance against budget is a regular standing item on agendas.

Earmarking and Internal Control Discussion also form part of several documented discussions.

Budget Variances

Evidence of Budget review with Financial Committee is sufficient.

Income Controls

Precept

The precept reviewed matches the request sent to NYC.

Not covered Internal control objective F

Cash and Near Cash Security

The Council has advised they do not hold Petty Cash

Multipay Card

The Council does not have a Multipay or Credit Card.

Payroll Controls

<u>Staffing</u>

All members of staff have current job descriptions and terms and conditions. The council also has an annual appraisal process.

<u>Payroll Processing</u>

The payroll is processed via a third party supplier called Whalley Swarbrick.

The Council provided two salary reports for review upon our request

We have checked the payments out against Net Pay which agree. We have also seen payments of PAYE and pensions within Scribe. Internal control objective B - no

However, we note a notification was received in May 2025 highlighting late payment for Months 10 – 12 which led the Council to incur Interest charges and extra Admin time.

<u>Expenses</u>

We have not observed any expense payments for the current financial year.

Facilities Management

<u>Town Hall Bookings</u>

The Council Management bookings for meetings and events at the Town Hall via the Booking Module in Scribe. The Town Hall is managed via the Open Spaces Committee.

We note the update to the conditions of hire is relatively recent.

We have reviewed the booking module in Scribe and note one small payment, and some "nil rate" bookings have not been confirmed as paid. Recommend review.

Asset Control

Register

The Clerk has advised the Asset Register is updated after each purchase and at year end.

Insurance

The insurance of assets is covered under the James Hallam and Aviva Policies. The assets are not completely itemised. However, the assets appear to be sufficiently covered for insurance

Bank Reconciliations

Bank reconciliations are present for all accounts within Scribe's saved reports.

Burial Authority

The Town Council is a Burial Authority. They use the Burials Module in Scribe to manage their duties

Income for burials/permits

There were only 2 burials within the system in the financial year.

Burial 1 – documentation present but could not verify payment A sample of 3 transactions. 1 Transaction was sufficiently traced from burial records to payment matched to payment matrix. However, the other two we could not verify payment.

Burial Plan

Burial Plan is within Scribe.

Statutory Reports Kept / Stored Safely

Documents are stored within Scribe it is our assessment this is therefore safely stored.

All interred ashes have certificates of cremation

No interred ashes in the system during the financial year

Permits properly documented and stored

Permits are stored digitally.

Safety

We have not been advised of any safety works relating to the cemetery. We note the Cemetery falls under the Open Spaces Committee.

Invoicing

We could not confirm invoicing.

Market Authorities

The Council is not a Market Authority

Grants - CIL

We have not observed the receipt of any CIL monies in Scribe.

Grants – Paid

The process for Grants is as follows:

Grant applications are received, grant checklist prepared and sent to Finance Committee and then agreed and payment sent.

Accruals & Prepayments

N/a Receipts and Payments Basis

Debtors & Creditors

N/a Receipts and Payments Basis

Year End AGAR & Accounts

Not covered Internal Control K

Internal Control Objective K is not applicable to the Town Council as they did not certify themselves as exempt from a limited assurance review in 2024/25.

Other items of Note

The council is registered with the Information Commissioners Office under membership number: Z2622831 and expires in May 2027

The council has sufficient security over information and uses Cloud Storage

The Council does not hold Trust Funds.

Recommendations/Further Information Required

Website

The statutory documents section of the website is sorted in Alphabetical order rather than date order. You can filter on date; however, filtering has highlighted are few inconsistencies;

The Payments over £500 were uploaded with a date of 16th December 2025 but when we open the document, the payment list covers the full financial year. We recommend the date of upload be updated to avoid confusion.

The Financial Regulations are still the 2024 dated documents. Please upload most recent.

Training Policies and Matrixes

There is no evidence of a training matrixes as recommended on our previous report.

In our previous report we advised there was not a training and development policy in place. However, this has been provided, although very out of date – it is dated 2020.

It is our view that whilst the requirement for training is not specifically mandated in one single Act, this is a governance concern.

Burials

We could not confirm invoicing for the two burials during the financial year.

Meeting Minutes in Draft

The following meeting minutes are currently in draft, but we would expect them to not be at this stage in the year.

Meeting	Meeting date	Draft evidence
Full Council / Ordinary Council	5 January 2026	File titled "MINUTES-05.01.26-DRAFT.pdf"
Full Council	1 December 2025	File titled "MINUTES-01.12.25-DRAFT.pdf"
Finance Committee	17 November 2025	File titled "MINUTES-FINANCE-17.11.25-DRAFT.pdf"
Full Council	3 November 2025	File titled "MINUTES-DRAFT-03.11.25-d-1.pdf"
Annual Parish Meeting	28 April 2025	File titled "APM-minutes-25-DRAFT.pdf"
Open Spaces Committee	31 March 2025	File titled "Open-Spaces-MINUTES-31.03.25-DRAFT.pdf"
Extraordinary Meeting	17 March 2025	File titled "Minutes-of-the-Extraordinary-meeting-for-BTc-agenda-DRAFT.pdf"
Full Council	4 November 2024	File titled "MINUTES-04.11.24-DRAFT.pdf"
Buildings Committee	17 June 2024	File titled "Buildings-Committee-minutes-17.06.24-DRAFT.pdf"
Open Spaces Committee	15 April 2024	File titled "Open-Spaces-15.04.24-MINUTES-draft.pdf"

De Minimus

We have previously recommended evidence of "3 quotes" should be uploaded to Scribe along with the invoicing against the successful provider.

<u>Late PAYE payments</u>

We have indicated "no" against Objective B of the Internal Control Objectives as the payment of PAYE was late.

<u>Bookings Module in Scribe</u>

There are a small number of bookings that have passed without payment or close off. Recommend review.

<u>Risk Assessment Document</u>

The Risk Assessment document does not currently have a date.

<u>Data Security/Assertion 10/Objective O</u>

These items resulted in a "no" against Objective O of the Annual Internal Audit Report:

1. The Website Accessibility Statement was presented to Full Council on 6 January 2025 under minute 192.1 and resolved to be agreed and uploaded to the website. The statement should be reviewed by January 2026 in line with the review date shown on the published document.
2. We cannot see clear evidence of a data audit/scan provided by your IT provider.
3. IT policy should be reviewed yearly.
4. Use of 2 domains contravenes Assertion 10/Objective O