Appendix 1

NEW MILTON TOWN COUNCIL
INVESTMENT STRATEGY
2026-27

1. Introduction

New Milton Town Council acknowledges the importance of prudently investing the temporarily surplus funds held on behalf of the community.

This Strategy complies with the revised requirements set out in the Department for Communities and Local Government's *Guidance on Local Government Investments* and Chartered Institute of Public Finance and Accountancy's (CIPFA) *Treasury Management in Public Services: Code of Practice and Cross Sectoral Guidance Notes* and takes account of Section 15(1) (a) of the Local Government Act 2003.

In accordance with Governance & Accountability for Local Councils – A Practitioners' Guide (England) March 2014: **Where a council builds up balances these must be safeguarded by investing in an appropriate account; investing balances by local councils must be done prudently and in accordance with the requirements of the Local Government Act 2003 and DCLG Guidance on Local Government investments (second edition) issued on 11 March 2010**.

2. Investment Objectives

In accordance with Section 15(1) of the 2003 Act, the Council will *have regard to*

(a) such guidance as the Secretary of State may issue, and

(b) such other guidance as the Secretary of State may by regulations specify.

The Council's investment priorities are the security of reserves and liquidity of its investments. The Council will aim to achieve the optimum return on its investments commensurate with proper levels of security and liquidity.

All investments will be made in sterling and be reviewed regularly for optimum returns.

The Department for Communities and Local Government (DCLG) maintains that borrowing of monies purely to invest, or to lend and make a return, is unlawful and this Council will not engage in such activity.

Where external investment managers are used, they will be contractually required to comply with the Strategy.

3. Specified Investments

Specified Investments are those offering high security and high liquidity, made in sterling and which mature in no more than a year.

Such short-term investments made with the UK Government or a local authority by town or parish council will automatically be Specified Investments.

For the prudent management of its treasury balances, maintaining sufficient levels of security and liquidity, New Milton Town Council uses:

- Deposits with banks (NatWest / CCLA).
- Investing and earmarking General Reserves of the Town Council separately.

4. Non-Specified Investments

These investments have greater potential rewards, and associated risk – examples include investment in the money market, stocks and shares via Quilter Cheviot. Given the unpredictability and uncertainties surrounding such investments, NMTC only use this type of investment up to a maximum of £350k (31.03.26 Value: £346k).

Quilter Cheviot portfolio recorded an 8.7% growth to 31 March 2026 totalling: £27,609.

5. Liquidity of Investments

The Town Clerk as Responsible Financial Officer determines the maximum periods for which funds may prudently be committed so as not to compromise liquidity ensuring adequate funds are available for day-to-day operational needs.

6. Longer-Term Investments

Longer-term investments are defined in the Guidance as greater than 12 months. The Council now only holds £250k 'longer-term' investments of more than a year with CCLA (having been acquired by Jupiter Investment Management Group Limited).

Average Fund yield for the 12-month period to 31 March 2026 was 3.95% pa (£9,875).

7. End of Year Investment Report

At the end of the financial year, the Town Clerk reports on outcomes and investment activity to the Finance and General Purposes Committee.

Investment forecasts for the coming year are accounted for when preparing budgets.

8. Freedom of Information

In accordance with the Freedom of Information Act 2000, this Investment Strategy Document will be posted on the Council website. www.newmiltontowncouncil.gov.uk

The strategy is reviewed annually.

Appendix 2

NEW MILTON TOWN COUNCIL

RISK MANAGEMENT STRATEGY

2026-2027

1 Introduction

1.1 This document forms part of the Council's Risk Management Strategy. It sets out:

- What is risk management?
- Why does the Council need a risk management strategy?
- What is the Council's philosophy on risk management?
- What is the risk management process?
- How will risk management feed into the Council's existing policies?
- Implementation timetable
- Roles and responsibilities
- Future monitoring, Local Government Reorganisation & Community HUB implications

1.2 The objectives of this strategy are to:

- Further develop risk management and raise its profile across the Council.
- Integrate risk management into the culture of the organisation.
- Embed risk management through the ownership and management of risk as part of all decision-making processes.
- Manage risk in accordance with best practice.

2 What is Risk Management?

2.1 Risk is the threat that an event or action will adversely affect an organisation's ability to achieve its objectives and to successfully execute its strategies. Risk management is the process by which risks are identified, evaluated and controlled.

2.2 Risk management is an essential feature of good governance. An organisation that manages risk well is more likely to achieve its objectives. It is vital to recognise that risk management is not simply about health and safety, or risk assessments, but applies to all aspects of the Council's work, including public safety.

2.3 Risks can be classified into various types; but it is important to recognise that for all categories the direct financial losses may have less impact than the indirect costs such as disruption of normal working. The examples below are not exhaustive:

Strategic Risk - Long-term adverse impacts from poor decision-making or from poor implementation. Risks damage to the reputation of the Council and loss of public confidence, especially in regard to providing additional services following LGR / HUB.

Compliance Risk - Failure to comply with legislation, laid down procedures or the lack of documentation to prove compliance. Such risks potentially expose the council to prosecution, judicial review, employment tribunals and the inability to enforce contracts.

Financial Risk - Fraud, waste, excess demand for services, bad debts. Risk of additional audit investigation, objection to accounts, reduced service delivery, dramatically increased Precept levels/impact on Council reserves following LGR / opening of HUB.

Operating Risk - Failure to deliver (any new) services effectively; malfunctioning equipment, hazards to service users, the general public or staff, damage to property. Risk of insurance claims; higher insurance premiums; lengthy recovery processes.

2.4 Not all these risks are insurable and for some the premiums may not be cost effective. Even where insurance is available, a monetary consideration might not be an adequate recompense. The emphasis should always be on eliminating or reducing risk before costly steps to transfer risk to another party are considered.

2.5 Risk is not restricted to potential threats but can be connected with opportunities. Good risk management can facilitate proactive, rather than merely defensive responses. Measures to manage adverse risks are likely to help with managing positive ones.

3 Why does the Council need a Risk Management Strategy?

3.1 Risk management strengthens the ability of the Council to achieve its objectives and enhance the value of services provided.

3.2 The Risk Management Strategy helps to ensure that the Council has an understanding of risk. and that the Council adopts a uniform approach to identifying and prioritising risks. This should in turn lead to conscious choices as to the most appropriate method of dealing with each risk, be it elimination, reduction, transfer or acceptance of some risk.

3.3 Strategic risk management is also an integral part of the audit process and as such is an important element in demonstrating continuous service improvement.

3.4 There is a requirement under the Accounts & Audit Regulations to establish and maintain a systematic strategy, framework and process for managing risk.

4. Risk Management Policy Statement

New Milton Town Council recognises that it has responsibility to manage risks effectively in order to protect its employees, assets, liabilities and community against potential losses, to minimise uncertainty in achieving its goals and objectives and to maximise the opportunities to achieve its vision.

The Council accepts that some risks can never be fully eliminated, and it has in place a strategy that provides a structured, systematic and focussed approach to managing risk.

Risk management is an integral part of the Council's management processes and duties.

5. Implementing the Strategy

Risk Identification – Identifying and understanding hazards and risks facing the Council is crucial if informed decisions are to be made about policies or service delivery methods. The risks associated with these decisions can then be effectively managed. All risks are identified and recorded in the Council's Risk Register that is updated every year.

Risk Analysis – Once risks are identified they need to be systematically and accurately assessed using proven techniques. Analysis should make full use of any available data on the potential frequency of events and their consequences. If a risk is seen to be unacceptable, then steps need to be taken to control or respond to the risk.

Risk Prioritisation - An assessment is undertaken of the impact and likelihood of risks occurring with impact and likelihood scored. Action Plans are prepared to address any risks with a residual risk or where risk impact is judged to be major. Residual risks will be subject to monitoring and action will be taken to reduce residual risk in all cases.

5.1 **Risk Control**

Risk control is the process of taking action to minimise the likelihood of the risk event occurring and/or reducing the severity of the consequences should it occur. Typically, risk control requires the identification / implementation of revised operating procedures, but in exceptional cases more drastic action will be required to reduce the risk to an acceptable level, particularly new service provisions following LGR / opening of HUB.

Options for control include:

Elimination – Circumstances from which the risk arises are removed so that the risk no longer exists.
Reduction – Control measures are implemented to reduce the impact/ likelihood of the risk occurring.
Transfer – Financial impact is passed to others eg by revising contractual terms.
Sharing - Risk is shared with another party.
Insuring - Insure against some or all of a risk to mitigate financial impact where possible.
Acceptance – Documenting decisions after assessment of areas where the Council accepts or tolerates risk to a certain extent.

5.2 **Risk Monitoring**

The Risk Management process does not finish with putting any risk control procedures in place. Their effectiveness in controlling risk must be monitored and reviewed. It is also important to assess whether the nature of any risk has changed over time.

The information generated from applying the risk management process will help to ensure that risks can be avoided or minimised in the future. It will also inform judgements on the nature and extent of insurance cover and the balance to be reached between self-insurance and external protection.

6 **How will Risk Management feed into the Council's existing policies?**

6.1 The initial identification of risks is achieved by compiling a list of the risks integrated into a comprehensive risk register, that is reviewed annually by F&GP and Internal Audit.

6.2 **Projects and Service Changes** – Projects or changes to services will include risks identification and measures to eliminate or control risks will be documented in agenda reports and briefing papers to be considered by the Council and its committees.

6.3 **Partnership Working** – The Council will continue to enter into a number of partnerships with organisations from the public, private, voluntary and community sectors where necessary. Part of the process of setting up future partnerships will be to ensure that all relevant risks are identified, and appropriate control mechanisms are built into the management arrangements for partnership working. It is now a safeguarding prerequisite that at least two officers and two Councillors attend all external / partnership meetings, especially those regarding the transfer of any new service provision from HCC / NFDC.

7. Implementation Timetable

The Town Clerk and F&GP Committee examine the Council Risk Management Strategy and Risk Management Policy Statement annually identifying current risks in detail.

- Risk Management Strategy – originally adopted by Council on 3 January 2012.
- Risk Assessments and action plans are agreed by F&GP annually in April.
- Risk Management Strategy is reviewed by F&GP Committee annually in July.

8 Roles and Responsibilities

8.1 Risk management has become embedded into the everyday culture and performance management process of the Council. The roles and responsibilities set out below, are designed to ensure that risk is managed effectively right across the Council and its operations, and responsibility for risk is located in the right place. The process is driven from the top but must also involve Council staff.

8.2 **Elected Members** – Risk management is a key part of Elected Member's role with an expectation that Elected Members will lead and monitor the approach adopted, including:

(a) Approval of the Risk Management Strategy
(b) Analysis of key risks in reports on major projects, ensuring that all future projects and services undertaken are adequately risk managed
(c) Approval of year-end Annual Governance and Accountability Return (AGAR)
(d) Assessment of risks whilst setting the budget, including any bids for resources to tackle specific issues.

8.3 **Employees** – Undertake their duties within risk management guidelines ensuring that their skills and knowledge are used effectively. All employees maintain an awareness of the impact and costs of risks and how to feed data into the formal process. They work to control risks or threats within their jobs, monitor progress and report on job-related risks.

8.4 **Town Clerk** – Acts as the Lead Officer on Risk Management and is responsible for overseeing the implementation of the Risk Management Strategy. The Town Clerk:

(a) provides advice as to the legality of policy and service delivery choices
(b) provides advice on the implications for service areas of the Council's aims / objectives
(c) updates the Council on the implications of new or revised legislation
(d) assists in handling any litigation claims
(e) provides advice on human resource issues and cases of work-related illness or injury
(e) advises on health and safety implications of service delivery methods
(f) reports progress to Council via F&GP

8.5 **Responsible Finance Officer** – as the Council's RFO, the Town Clerk:

(a) assesses and implements the Council's insurance requirements
(b) assesses the financial implications of strategic policy options
(c) provides assistance and advice on budgetary planning and control
(d) ensures that the financial information system allows effective budgetary control
(e) manages the Council's investments as part of the Investments Working Party

8.6 **Role of Internal Audit**

Internal Audit provides an important scrutiny role by carrying out audits to provide independent assurance to the Council that all necessary risk management systems are in-situ and significant business risks are managed effectively. Internal Audit assists the Council in identifying both its financial and operational risks and seeks to assist the Council in developing and implementing proper arrangements to manage them, including adequate and effective systems of internal control to reduce or eliminate the likelihood of errors or fraud, and now looks at wider operational aspects. Internal Audit reports to full Town Council and may make appropriate recommendations.

8.7 **Scrutiny Committee** – Review and future development of the Risk Management Policy and Strategy and review of the Risk Register is overseen by the F&GP Committee.

8.8 **Training** – Where possible Risk Management training is provided to Members and staff through a variety of mediums, the aim being to ensure both Members and staff have the skills necessary to identify, evaluate and control risks associated with Council services.

8.9 **Reporting -** In addition to the roles and responsibilities set out above, the Council is keen to promote an environment within which individuals and groups are encouraged to report adverse incidents promptly and openly.

9 **Monitoring**

9.1 **Review of Risk Management Strategy**

This Strategy is regularly considered as part of the Council's on-going review of its policy documents, Standing Orders and Financial Regulations. Recommendations are reported to the Council.

9.2 As noted last year, new risks emerge and need to be controlled. Feedback from Internal and External Audit can identify areas for improvement, as can the sharing of best practice via professional bodies, such as the Hampshire Association of Local Councils (HALC), the Society of Local Council Clerks (SLCC) and other relevant local council forums, including the New Forest Association of Local Councils (NFALC) and South-East Employers (SEE) all of which we are members of.

9.3 **Reporting on Progress –** The Town Clerk provides an annual review in April each year.

10 **Conclusion**

The adoption of a sound risk management approach achieves many benefits for the Council. It assists in demonstrating that the Council is committed to continuous service improvement and effective corporate governance updating risk assessments as required.

11 **Freedom of Information**

In accordance with the Freedom of Information Act 2000, and GDPR legislation, this document will be posted on the Council's Website www.newmiltontowncouncil.gov.uk and copies of this document, and the Annual Governance & Accountability Return (AGAR) is available for inspection at the Council Offices.

TYPES OF RISK AND IMPACTS

MAJOR	**SUBSTANTIAL**
Examples: • Death or life-changing injuries • Medium term loss of service and / or operational capability • Adverse national publicity • More than 10 people involved • Litigation almost certain and difficult to defend successfully • Financial loss in excess of £250,000 • Breaches of law punishable by imprisonment • Corporate Manslaughter • Corporate Governance failure • LGR – Insufficient Budget provision • HUB - Insufficient Budget provision	*Examples:* • Extensive, permanent injuries, long term sickness • Short term loss of service and / or operational capability • Adverse local publicity • Up to 10 people involved • Litigation to be expected • Financial loss between £100,000 and £250,000 • Breaches of the law punishable by fines • GDPR breaches / loss of data • Disaster Recovery failure • LGR – Inability to provide new services • HUB - Inability to provide new services
MODERATE	**MINOR**
Examples: • Medical treatment required / long-term injury sustained to staff or public • Short term disruption to service and / or operational capability • Needs careful public relations • No more than 5 people involved • High potential for complaint locally, lower-level litigation possible • Financial loss greater than 10% and between £25,000 and £100,000 • Breaches of regulations / standards • Higher Risk Investment of £250,000 • LGR – Increase in Service Provision • HUB– Increase in Service Provision	*Examples:* • No injuries beyond first aid level to staff • No significant disruption to service and / or operational capability • Unlikely to cause any adverse publicity • No more than 2 people involved • Unlikely to cause complaint / litigation • Financial loss below £25,000 • Breaches of local procedures • Breaches of local standards • Breaches of accepted protocol • Minor misdemeanours • Financial loss less than 10% • LGR – Staff morale from changes • HUB – Staff morale from changes

Background

Statute requires all town and parish councils to arrange for an independent internal audit examination of their accounting records and system of internal control and for the conclusions to be reported each year in the Annual Return.

This report sets out the work undertaken in relation to the Internal Audit process for the 2025-26 financial year: The Year-end review took place on the 03rd and 04th of June 2026 which supplemented the Interim review took place on the 05th and 06th of November 2025.

Internal Audit Approach

In commencing our review for the year, we have again had regard to the materiality of transactions and their susceptibility to potential misrecording or misrepresentation in the year-end Statement of Accounts contained within the Annual Governance and Accountability Return (AGAR). Our programme of cover is designed to afford appropriate assurance that the Council has appropriate and robust financial systems in place that operate in a manner to ensure effective probity of transactions and to afford a reasonable probability of identifying any material errors or possible abuse of the Council's own and the national statutory regulatory framework. The programme is also designed to facilitate our completion of the 'Internal Audit Report' as part of the Council's AGAR process, which requires independent assurance over a number of internal control objectives.

Overall Conclusions

We have followed up the suggestions and formal recommendations made in our FY2024-25 reports and acknowledge that the members have noted and considered these in their deliberations and have implemented these as appropriate. The Council has continued to make significant business processes and performance improvements once again in relation to Risk Management & Mitigation.

We have noted that the Council has noted and implemented the recommendations for improvement made as a result of the interim and year-end reviews conducted during the 2024-25 financial year, our record of the completed Action Plan for the 2024-25 financial year audit.

We report that, on the basis of the work undertaken during the 2025-26 financial year to the 31st of March 2026, the Council continues to operate robust and effective internal controls. We have made four best practice recommendations in light of the new data and digital compliance Internal Control Objective in the FY2025-26 AGAR Annual Internal Audit Report.

The Clerk & RFO and his team are again to be complimented on the exemplary performance of New Milton Town Council both in terms of its public facing services and its corporate governance and administration.

Once again, we commend the Clerk & RFO, Assistant Clerk and their team for their continued professional management and administration of the Council's finance, governance and delivery functions. As in previous years, the requested audit files and associated documentation were presented for audit in a professional manner by the Clerk & RFO and the Assistant Clerk, making this in-person review a relatively straightforward process.

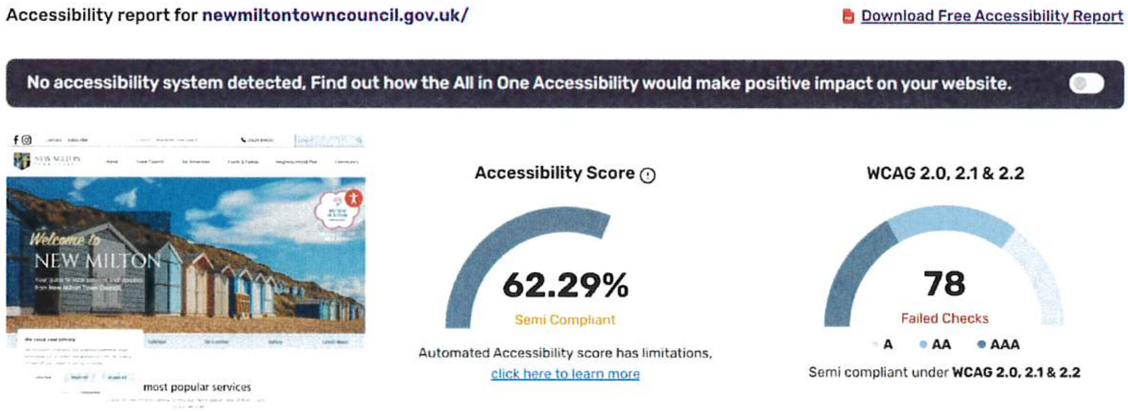
We also take this opportunity to commend the Clerk & RFO and the Assistant Clerk for the significant work that they and their team have undertaken to achieve the IASME Cyber Essentials Security plus certification and to implement the necessary changes in the Council's Information Systems strategy during the 2025-26 financial year which we recognise has been no small feat.

We ask that Members consider the content of this report and acknowledge that the report has been formally reviewed and adopted by Council.

Review of Digital & Data Compliance

Our aim here is to ensure that the Council has complied with laws, regulations and proper practices relating to digital and data compliance. To ensure compliance with these objectives we have:

- Noted that the Council maintains its official website which is published under the www.newmiltontowncouncil.gov.uk domain. The website is hosted on a JSEC compliant server by an Approved Hosting company;
- The website is semi-compliant (62.29%) with current WCAG 2.2AA Accessibility Legislation standards:



  We have attached the full WCAG 2.2 Accessibility Legislation Compliance Report as Appendix A to this Internal Audit report;
- The Council has issued name@newmiltontowncouncil.gov.uk email addresses to Officers, Staff and Members, exclusively for Council business use;
- Noted that the Council has a robust approach to compliance with the General Data Protection Regulation and the Data Protection Act, as amended from time to time. The following documents are published on its official website as at the 04th of June 2026:
  - Privacy Notice
  - Data Protection Policy
  - Subject Access Request
- Noted that the Council adopted five Internal IT Security Policies during the 16th of February 2026 meeting of the Full Council under Minute reference 108:
  - Acceptable Use Policy
  - Disaster Recovery Policy
  - Information Security Policy
  - Password Management Policy
  - Security Management Policy
- The Council has a currently adopted Social Media Policy;
- The Council has undertaken a data impact assessment during the 2025-26 financial year
- The Council has provided modular GDPR and Cyber Security training for Officers, Staff and Council Members during the 2025-26 financial year, with a continuous training plan being developed by the Deputy Clerk;
- The Council achieved IASME Cyber Essentials Security Plus certification during the 2025-26. The Certification marks are published on the Council's official website;
- The Council is registered with the Information Commissioner's Office as a Data Processor under registration reference Z5457028 with the annual renewal date falling on the 26th of June;

- The Council has a currently adopted Freedom of Information (FoI)/ publication scheme, however it is not based on the ICO's new model publication scheme;
- Noted that the Council had not received any FoI request during the 2025-26 financial year;
- Noted that Council employs a server based infrastructure with near real-time offsite backup;
- Noted that the Council's laptop and desktop computers run Windows 11;
- Noted that the Council, in consultation with its Information Systems provider has implemented appropriate information systems security products;
- Council Members currently utilise their own Smart devices and personal computers to access the Council's email and documentation.

Conclusion & Recommendations

R.1 ***We encourage the Clerk & RFO to review the WCAG 2.2AA test report, supplied as Appendix 'A' to this Internal Audit report and to work with the website's host to achieve greater compliance with current Accessibility Legislation as amended from time to time.***

R.2 ***The Information Commissioner has published a mandatory publication scheme for Public Authorities. This can be located and downloaded at*** https://ico.org.uk/for-organisations/foi/publication-schemes-a-guide/ . ***We strongly advise that the Clerk & RFO revises the Council's current publication scheme in accordance with the ICO's model document.***

R.3 ***We encourage the Clerk & RFO to work towards supplying all Council Members with preformatted Smart Tablets to enable them to access the Council's Email and documentation via a secure and controlled system.***

R.4 ***We advised the Clerk & RFO of the new GDPR Legislation which comes into effect on the 19th of June 2026. An overview has been provided to the Clerk & RFO under separate cover. We strongly suggest that the Council's Subject Access request policies are updated to come into compliance with this new legislation.***

Appendix 3

CYBER ESSENTIALS PLUS

CERTIFICATE OF ASSURANCE

New Milton Town Council

2 Ashley Road New Milton BH25 6AS

COMPLIES WITH THE REQUIREMENTS OF THE CYBER ESSENTIALS PLUS SCHEME

NAME OF ASSESSOR : Cameron Birnie

CERTIFICATE NUMBER : 54bf291d-17fb-4f4a-9026-7c1cf03890fa

DATE OF CERTIFICATION : 2026-05-13

PROFILE VERSION : 3.2 (Willow)

RECERTIFICATION DUE : 2027-05-13

SCOPE : Whole organisation

SCAN QR CODE TO VERIFY THE AUTHENTICITY OF THIS CERTIFICATE

CERTIFICATION MARK

CYBER ESSENTIALS CERTIFIED PLUS

CERTIFICATION BODY

CyberSmart

CYBER ESSENTIALS PARTNER

iasme

The Certificate certifies that the organisation was assessed as meeting the Cyber Essentials Plus implementation profile and thus that, at the time of testing, the organisations ICT defences were assessed as satisfactory against commodity based cyber attack. However, this Certificate does not in any way guarantee that the organisations defences will remain satisfactory against a cyber attack.

Appendix 3

CYBER ESSENTIALS

CERTIFICATE OF ASSURANCE

New Milton Town Council

2 Ashley Road New Milton BH25 6AS

COMPLIES WITH THE REQUIREMENTS OF THE CYBER ESSENTIALS SCHEME

NAME OF ASSESSOR : Brynmor Trotter

CERTIFICATE NUMBER : 45d8988d-a370-4d42-ab76-f2dfdfb34233

DATE OF CERTIFICATION : 2026-03-12

PROFILE VERSION : 3.2 (Willow)

RECERTIFICATION DUE : 2027-03-12

SCOPE : Whole Organisation

SCAN QR CODE TO VERIFY THE AUTHENTICITY OF THIS CERTIFICATE

CERTIFICATION MARK

CYBER ESSENTIALS CERTIFIED

CERTIFICATION BODY

CyberSmart

CYBER ESSENTIALS PARTNER

iasme

The Certificate certifies that the organisation was assessed as meeting the Cyber Essentials implementation profile and thus that, at the time of testing, the organisation's ICT defences were assessed as satisfactory against commodity based cyber attacks. However, this Certificate does not in any way guarantee that the organisation's defences will remain satisfactory against a cyber attack.

Appendix 3

Data Protection Registration Certificate

NEW MILTON TOWN COUNCIL

TOWN HALL
2 ASHLEY ROAD
NEW MILTON
HAMPSHIRE, BH25 6AS

Registration reference: Z5457028
Date registered: 27 June 2001
Registration expires: 26 June 2027

Data Protection Officer

Graham Flexman

TOWN HALL
2 ASHLEY ROAD
NEW MILTON
HAMPSHIRE, BH25 6AS

Email: clerk@newmiltontowncouncil.gov.uk
Telephone: 01425 619120

ico.
Information Commissioner's Office

Issued by: Information Commissioner's Office, Wycliffe House, Water Lane, Wilmslow, Cheshire SK9 5AF

Telephone: 0303 123 1113
Website: ico.org.uk

Appendix 4

AUDITING SOLUTIONS LTD

New Milton Town Council

Internal Audit Report 2025-26 (final update review)

Claire Lingard
Consultant Auditor

For and on behalf of
Auditing Solutions Ltd

Background

Statute requires all town and parish councils to arrange for an independent internal audit examination of their accounting records and system of internal control and for the conclusions to be reported each year in the Annual Return.

This report sets out the work undertaken in relation to the Internal Audit process for the 2025-26 financial year: The Year-end review took place on the 03rd and 04th of June 2026 which supplemented the Interim review took place on the 05th and 06th of November 2025.

Internal Audit Approach

In commencing our review for the year, we have again had regard to the materiality of transactions and their susceptibility to potential misrecording or misrepresentation in the year-end Statement of Accounts contained within the Annual Governance and Accountability Return (AGAR). Our programme of cover is designed to afford appropriate assurance that the Council has appropriate and robust financial systems in place that operate in a manner to ensure effective probity of transactions and to afford a reasonable probability of identifying any material errors or possible abuse of the Council's own and the national statutory regulatory framework. The programme is also designed to facilitate our completion of the 'Internal Audit Report' as part of the Council's AGAR process, which requires independent assurance over a number of internal control objectives.

Overall Conclusions

We have followed up the suggestions and formal recommendations made in our FY2024-25 reports and acknowledge that the members have noted and considered these in their deliberations and have implemented these as appropriate. The Council has continued to make significant business processes and performance improvements once again in relation to Risk Management & Mitigation.

We have noted that the Council has noted and implemented the recommendations for improvement made as a result of the interim and year-end reviews conducted during the 2024-25 financial year, our record of the completed Action Plan for the 2024-25 financial year audit.

We report that, on the basis of the work undertaken during the 2025-26 financial year to the 31st of March 2026, the Council continues to operate robust and effective internal controls. We have made four best practice recommendations in light of the new data and digital compliance Internal Control Objective in the FY2025-26 AGAR Annual Internal Audit Report.

The Clerk & RFO and his team are again to be complimented on the exemplary performance of New Milton Town Council both in terms of its public facing services and its corporate governance and administration.

Once again, we commend the Clerk & RFO, Assistant Clerk and their team for their continued professional management and administration of the Council's finance, governance and delivery functions. As in previous years, the requested audit files and associated documentation were presented for audit in a professional manner by the Clerk & RFO and the Assistant Clerk, making this in-person review a relatively straightforward process.

We also take this opportunity to commend the Clerk & RFO and the Assistant Clerk for the significant work that they and their team have undertaken to achieve the IASME Cyber Essentials Security plus certification and to implement the necessary changes in the Council's Information Systems strategy during the 2025-26 financial year which we recognise has been no small feat.

We ask that Members consider the content of this report and acknowledge that the report has been formally reviewed and adopted by Council.

Detailed Report

Review of Accounting Records & Bank Reconciliations

Our objective here is to ensure that the accounting records are being maintained accurately and currently and that no anomalous entries appear in cashbooks or financial ledgers.

The Council uses the Omega accounting software to maintain its accounting records, which also provides the basis for preparation of the year-end Statement of Accounts and Annual Return.

The Council maintains the public funds under its management in three National Westminster Bank accounts, A Quilter Cheviot Investment Account and a Churches, Councils and Local Authorities Public Sector Deposit Fund (CCLA PSDF).

The services of the external contract accountants (DCKs) are employed to maintain the day-to-day accounting records and prepare the year-end detailed Statement of Accounts / Annual Return data. We have to date: -

- Verified that an appropriate cost centre and nominal ledger structure remains in place for 2025-26;
- Agreed the opening Trial Balance in the Omega accounting software for 2025-26 financial year to the to the closing Trial Balance for the 2024-25 financial year;
- Checked and agreed five sample months' receipts and payments transactions: April, June, September and December 2025 and March 2026 from all NatWest accounts, including the daily "sweep" transfers, to the relevant Omega cash books;
- Noted that the Council continues to maintain a diverse portfolio of investments, to ensure as far as it is possible to do so, that the council's funds are protected whilst generating a reasonable rate of return;
- Noted the contents of the latest Quilter Cheviot investment report covering the period to the 31st of March 2026;
- Noted that the Council continues to maintain a CCLA PSDF account with the intention of transferring the half-year Precept payment directly into this account. The Account balance as at the 31st of March 2026 stood at £250,000 *(£250,000 as at the 31st of March 2025)*; and,
- Checked and verified all the Rialtas bank reconciliations, for all the Council's bank and investment accounts for the period of the 1st of April 2025 to the 31st of March 2026 to ensure that there are no long-standing, uncleared items or other another anomalous entries arising.

Conclusion

There are no matters arising in this area of review warranting formal comment or recommendation.

Review of Corporate Governance

Our objective is to ensure that the Council has robust corporate governance documentation and processes in place, and that, as far as we may reasonably be expected to ascertain (as we do not attend Council or Committee meetings) all meetings are conducted in accordance with the adopted

Standing Orders and no actions of a potentially unlawful nature have been or are being considered for implementation. We have: -

- Noted that the Council received a Qualified Audit Certificate from the External Auditors on the 9th of September 2025;
- Concluded our review of the Full Council and Standing Committee minutes (except Planning) for the financial year to the 31st of March 2026 to ensure that no issues affecting the Council's financial stability either in the short, medium or long term exist;
- Noted that the Council last reviewed and re-adopted its revised combined Standing Orders and Financial Regulations at the 5th of August 2025 meeting of the Full Town Council (revision number 19) under Minute reference 42;
- Noted that the Council confirmed its continued eligibility to adopt the General Power of Competence for the 2025-26 financial year, and readopted this during the Annual Meeting of the Town Council on the 13th of May 2025, under Minute reference 7;
- Noted that the Council correctly provided the opportunity for the Exercise of Public Rights: The Announcement was dated the 23rd of June 2025, for a period of exactly 30 working days, including the first 10 working days in July, from Monday the 30th of June 2025 to the 8th of August 2025 inclusive;
- Noted that the Notice of Conclusion of Audit for the 2024-25 financial year was published from the 30th of September 2025 for a period of three months as Resolved at the 29th of September 2025 meeting of the Full Council under Minute reference 59;
- Noted that the Council continues to operate a robust Risk Management Strategy. There is clear evidence of Member scrutiny of Risk at the Full Council and its Standing Committees; and,
- Noted that the Council achieved Cyber Essentials Security plus certifications during the 2025-26 financial year, placing it ahead of over 95% of other Council's in England and in Wales.

There is clear evidence that the health and well-being of the New Milton Town Council constituents continues to be at the heart of its Neighbourhood Plan, with the Council's youth services widely regarded to be amongst the best available in the New Forest.

Additionally, the play and recreation areas in the Council's control provide sports and leisure facilities for all age groups within the town. All these facilities have been subject to regular risk review.

The Council continues to support several initiatives promoting local business and shopping areas, including award winning spring and summer floral displays and the Christmas Lights.

In relation to the Council's forward planning, we note that the Clerk & RFO and Members have made all reasonable and proportionate efforts to implement the recommendations made in our prior year reports.

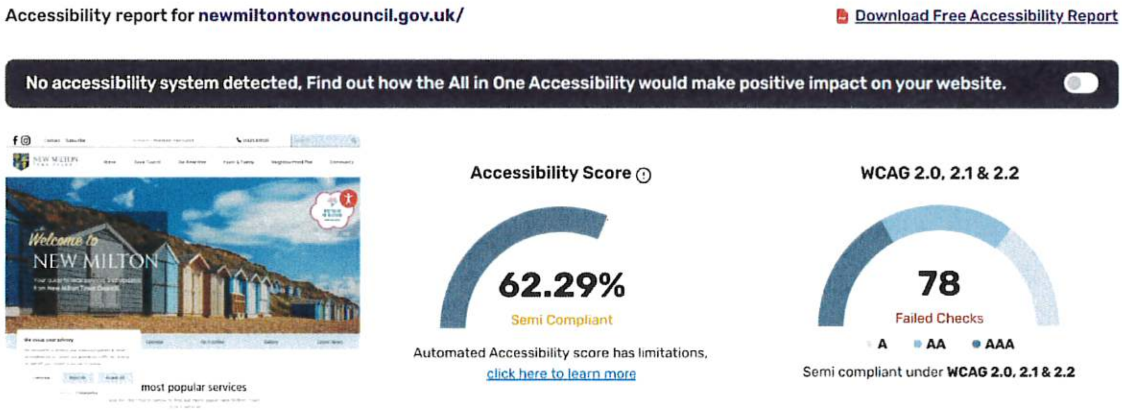
Conclusion

There are no matters arising in this area of review warranting formal comment or recommendation.

Review of Digital & Data Compliance

Our aim here is to ensure that the Council has complied with laws, regulations and proper practices relating to digital and data compliance. To ensure compliance with these objectives we have:

- Noted that the Council maintains its official website which is published under the www.newmiltontowncouncil.gov.uk domain. The website is hosted on a JSEC compliant server by an Approved Hosting company;
- The website is semi-compliant (62.29%) with current WCAG 2.2AA Accessibility Legislation standards:



  We have attached the full WCAG 2.2 Accessibility Legislation Compliance Report as Appendix A to this Internal Audit report;
- The Council has issued name@newmiltontowncouncil.gov.uk email addresses to Officers, Staff and Members, exclusively for Council business use;
- Noted that the Council has a robust approach to compliance with the General Data Protection Regulation and the Data Protection Act, as amended from time to time. The following documents are published on its official website as at the 04th of June 2026:
  - Privacy Notice
  - Data Protection Policy
  - Subject Access Request
- Noted that the Council adopted five Internal IT Security Policies during the 16th of February 2026 meeting of the Full Council under Minute reference 108:
  - Acceptable Use Policy
  - Disaster Recovery Policy
  - Information Security Policy
  - Password Management Policy
  - Security Management Policy
- The Council has a currently adopted Social Media Policy;
- The Council has undertaken a data impact assessment during the 2025-26 financial year
- The Council has provided modular GDPR and Cyber Security training for Officers, Staff and Council Members during the 2025-26 financial year, with a continuous training plan being developed by the Deputy Clerk;
- The Council achieved IASME Cyber Essentials Security Plus certification during the 2025-26. The Certification marks are published on the Council's official website;
- The Council is registered with the Information Commissioner's Office as a Data Processor under registration reference Z5457028 with the annual renewal date falling on the 26th of June;

- The Council has a currently adopted Freedom of Information (FoI)/ publication scheme, however it is not based on the ICO's new model publication scheme;
- Noted that the Council had not received any FoI request during the 2025-26 financial year;
- Noted that Council employs a server based infrastructure with near real-time offsite backup;
- Noted that the Council's laptop and desktop computers run Windows 11;
- Noted that the Council, in consultation with its Information Systems provider has implemented appropriate information systems security products;
- Council Members currently utilise their own Smart devices and personal computers to access the Council's email and documentation.

Conclusion & Recommendations

R.1 ***We encourage the Clerk & RFO to review the WCAG 2.2AA test report, supplied as Appendix 'A' to this Internal Audit report and to work with the website's host to achieve greater compliance with current Accessibility Legislation as amended from time to time.***

R.2 ***The Information Commissioner has published a mandatory publication scheme for Public Authorities. This can be located and downloaded at*** https://ico.org.uk/for-organisations/foi/publication-schemes-a-guide/ ***. We strongly advise that the Clerk & RFO revises the Council's current publication scheme in accordance with the ICO's model document.***

R.3 ***We encourage the Clerk & RFO to work towards supplying all Council Members with preformatted Smart Tablets to enable them to access the Council's Email and documentation via a secure and controlled system.***

R.4 ***We advised the Clerk & RFO of the new GDPR Legislation which comes into effect on the 19th of June 2026. An overview has been provided to the Clerk & RFO under separate cover. We strongly suggest that the Council's Subject Access request policies are updated to come into compliance with this new legislation.***

Review of Expenditure

Our aim here is to ensure that: -

- Council resources are released in accordance with the Council's approved procedures and budgets;
- Payments are supported by appropriate documentation, either in the form of an original trade invoice or other appropriate form of document confirming the payment as due and/or an acknowledgement of receipt, where no other form of invoice is available;
- An official order has been raised for all purchases and service delivery where one would be expected;
- All discounts due on goods and services supplied are identified and appropriate action taken to secure the discount;
- The correct expense codes have been applied to invoices when processed; and
- VAT has been appropriately identified and coded to the control account for periodic recovery.

We have concluded our examination of payments for the 2025-26 financial year for compliance with the above criteria, selecting a sample of an additional 49 payment documents, bringing the total examined during the 2025-26 financial year to 107. The sample comprised all non-payroll related payments individually above £3,000, together with every 30th cashbook transaction (irrespective of value). All payments were checked and verified with a total value of £523,669.65 and equating to approximately 57% of all non-pay related expenditure processed to the above date with no matters arising.

We note that there has not been the requirement to go out to Competitive Tender during the 2025-26 financial year to the 31st of March 2026.

Finally, in this area of our review, we have checked and verified the all four quarterly VAT reclaims for the 2025-26 financial year, ensuring that these were correctly submitted in accord with the Omega control record and properly disclosed in the year-end accounting statements, with no issues arising.

Conclusion

There are no matters arising in this area of review warranting formal comment or recommendation.

Review of Assessment and Management of Risk

Our aim here is to ensure that the Council has put in place appropriate arrangements to identify all potential areas of risk of both a financial and health and safety nature, whilst also ensuring that appropriate arrangements exist to monitor and manage those risks in order to minimise the opportunity for their coming to fruition. Consequently, we:

- Noted that the Council's insurance cover continues to be provided by Zurich under a 'Select for Local Councils Policy' on a long term agreement to reduce costs.

  The current year's policy schedule running to 31st of March 2026 is as follows:

  Policy number: YLL-272009-6773
  Term of cover: 1st of April 2025 to the 31st of March 2026

  Key features
  - Public Liability £15M
  - Employers Liability £10M
  - Fidelity Guarantee £2M
  - Hirers' Liability £2M
  - Personal Accident £2M per incident / £500k per person
  - Plant Protection £500K
  - Libel & Slander £250K
  - Legal Expenses £200k
  - Motor vehicles £100k
  - Business Interruption £65,858

  We consider the above appropriate for the Council's immediate requirements.

- Noted that the Council's Risk Management Strategy remains robust with a dynamic approach to Risk Management with Risk Registers reviewed on an ongoing basis throughout the year and governed by an umbrella Health & Safety policy;

- Noted the Council's Risk Strategy, with the Council's Risk Registers endorsed for the 2025-26 financial year during the 7th of April 2025 meeting of the Amenities Committee under Minute reference 118. The Risk Strategy and Registers were further endorsed during the 28th of April 2025 meeting of the Finance & General Purposes Committee on the 28th of April 2025 under Minute reference 130 with the recommendation that these by Adopted and Approved at Full Council;

- Noted that the Council's revised FY2025-26 Risk Registers were Approved and Readopted during the 05th of January 2026 under Minute reference 89 of that meeting;

- Noted that the Council's revised FY2025-26 Risk Management Strategy was Approved and Readopted during the 05th of January 2026 under Minute reference 90 of that meeting'

- Reviewed the Council's arrangements for the regular inspection of playgrounds and recreational areas, noting that a sub-contractor now inspects the playgrounds and recreational areas on a fortnightly basis, making recommendations for replacement, repair and general maintenance. Additionally, the Council's play areas, MUGA and skatepark are visually inspected weekly by members of the Estates Team who have been trained and are qualified to carry out weekly visual inspections. These inspections are recorded, and hard copies kept on file and also electronically stored in their own folder on the Town Council shared drive.

  Any minor repairs required as a result of inspections are carried out by the Council's nominated and certified sub-contractor. Any equipment or area deemed to be in need of a major repair and/or presents a potential health and safety risk is taken out of service immediately until a full repair can be undertaken.

  All play areas, the MUGA and Skatepark are fully inspected annually, usually during July, by the Play Inspection Company.

  Finally, in this area of our review and as an adjunct to the above, we have noted that the Town Council now organises and holds Play Inspector Courses carried out by qualified instructors. These courses are open to employees of other government and not for profit entities.

  To date, New Milton Town Council has hosted course delegates from organisations including New Forest District Council, Lymington, Pennington Town Council, Horsham Town Council, Warminster Town Council, and the Fleet Air Arm Museum Yeovilton.

  This training process continues to enable New Milton Town Council to train members of the Estates Team at net neutral cost, as the course fees have been offset by the income received from running the course, which is a benefit both to the Council and its Constituents and is, in this auditor's opinion, an exemplary initiative.

Conclusion

There are no matters arising in this area of review warranting formal comment or recommendation.

Review of Budgetary Control & Reserves

Our objective here is to ensure that the Council has a robust procedure in place for identifying and approving its future budgetary requirements and level of precept to be drawn down from New Forest District Council: also, that an effective reporting and monitoring process is in place. We also aim to ensure that the Council retains appropriate funds in general and earmarked reserves to finance its ongoing spending plans, whilst retaining appropriate sums to cover any unplanned expenditure that might arise. We have:

- Noted that the Council's actual expenditure to the 31st of July 2026 is broadly in line with its budgetary projections for the financial year;
- We note that members continue to be provided with detail of the current budgetary performance at the monthly meetings of the Finance & General Purposes Committee;
- Noted that, as in previous years, the Council undertook a detailed Budget setting and Precept determination process for the 2026-27 financial year. A pre-agreed schedule of planning and review meetings took place during October, November and December 2025;
- Noted that the 2026-27 financial year Budget and Precept were formally resolved, in the amount of £1,631,666 during the 05th of January 2026 meeting of the full Council under Minute reference 87 of that meeting;
- As at the 31st of March 2026 the Council held twenty one properly constituted earmarked reserves with £4,914.00 net in year transfers resulting in a closing balance of £18,163.00:

Opening Balance 01.04.25	£	13,249.00
Net in-year transfers	£	4,914.00
Closing Balance 31.03.26	£	18,163.00

- Noted that the level of the Council's Retained General Reserve stood at 2.9 months as at the 31st of March 2026. Only slightly below three months retained reserve at the average rate of monthly expenditure during the 2025-26 financial year.

  This is the lowest level of retained General Reserve recommended by the Chartered Institute of Public Finance and Accountancy (CiPFA) which recommends retaining a General Reserve fund of between three and six months of prior-year average monthly revenue expenditure; and,
- Checked and verified the Clerk & RFO's variance report noting that there are no significant variances requiring further investigation or explanation.

Conclusion

There are no matters arising in this area review warranting formal comment or recommendation. We draw the Clerk & RFO's attention to the level of the Council's Retained General Reserve and ask that this is monitored carefully during the 2026-27 financial year.

Review of Income

In considering the Council's income streams, we aim to ensure that robust systems are in place to ensure the identification of all income due to the Council from its various sources, to ensure that the invoice is submitted in a timely manner and that effective procedures are in place to pursue recovery of any outstanding monies due to the Council. We note that, in addition to the Precept, the Council continues to receive income from a variety of sources including sports field hire, allotment rents, property leases, market stall rents, investment interest, recovered VAT, sundry wayleaves, sponsorship, grants and CIL monies.

We have:

- Noted that in addition to the annual Precept, the Council achieves significant income from the following sources:

  - ✓ **Sports field hire (Leases):** Cricket Club Lease, Rugby Club Lease, Bowls Club Lease, Indoor Bowls Club Lease, Football Club Lease, Tennis Club lease

  - ✓ **CIL monies:** CIL monies are received on a bi-annual basis (April – October).

  - ✓ **Allotments:** Invoiced in August each year.

  - ✓ **Market stall rents:** Where cash is received this is banking using a separate paying-in record which records all income for the stalls received on a particular day.

  - ✓ **Interest:** Interest is paid directly to the corresponding bank account and recorded accurately in the appropriate cashbook.

  - ✓ **Sundry Income:** Grants, sponsorship, sundry services: bus shelter advertising, container rentals etc.,

- Noted that the Council undertook a formal review of its fees and charges during the prior-year budget setting process, with increases approved accordingly for the 2025-26 financial year;

- The Fees & Charges for the 2025-26 financial year are detailed in a 'standalone' booklet which was approved by the Council. The Fees & Charges are also freely available, published on the Council's official website at Copy-of-New-Website-Fees-Charges-Page-2025-2026.pdf;

- The Fees & Charges for the 2026-27 were recommended during the 14th of November 2025 Executive Committee meeting under Minute reference 29. The 2026-27 Fees and Charges were subsequently endorsed by the Amenities Committee, Finance & General Purposes Committee and the Full Council;

- Checked and verified all receipts recorded in the Sales Daybooks and Cashbook 1 to the corresponding Bank Statements for the financial year from the 1st of April 2025 to the 31st of March 2026 noting that there is no significant Aged Debt with the exception of one balance which is in excess of 90 days overdue. We have discussed this matter with the Clerk & RFO, and we understand that this balance is in the process of being recovered;

- We have reviewed all invoices and receipts pertaining to Sales Receipts as entered on Cashbook 1, for the financial year from the 1st of April 2025 to the 31st of March 2026, ensuring that the fees charged were in accord with the published scales with no undue delays identified in settlement by customers;

- Reviewed 100% of all the Allotment invoices issued in the 2025-26 financial year to the 6th of November 2024; and,

- We have reviewed the way in which cash and cheque receipts are recorded for banking for the financial year to 31st of March 2026 with no matters arising.

Conclusions

There are no matters arising in this area of review warranting formal comment or recommendation.

Review of Petty Cash Accounts

The Council operates a limited petty cash account, topped up "as and when" with periodic cash (ATM) re-imbursements (generally of £250 each). The Councils retained accountants maintain appropriate Excel based control sheets to analyse the expenditure for posting to Omega.

We have checked and agreed five sample month's transactions, April, June, August and December 2025 and March 2026, to ensure that each payment was supported by relevant supplier invoices / till receipts and that the expenditure was appropriate for the Council's activities with no issues arising. To this end, we have checked and verified the retained accountant's approved Petty Cash reconciliation reports, which have been endorsed in the Management Accounts by the F&GP Committee, and which have been certified by the Clerk & RFO.

We have checked and verified the 31st of August 2025 Petty Cash reconciliation, in the amount of £214.62, which has been certified by the Clerk & RFO *(as we were not onsite on the 31st of March 2026).*

Conclusions

There are no matters arising in this area of our review warranting formal comment or recommendation.

Review of Salaries

In examining the Council's payroll function, we aim to confirm that extant legislation is being appropriately observed as regards adherence to the Employee Rights Act 1998 and the requirements of HM Revenue and Customs (HMRC) legislation as regards the deduction and payment over of income tax and NI contributions, together with meeting the requirements of the LGPS (further revised with effect from 1st April 2020 as regards employee contribution percentage bandings).

The Council continues to outsource the production of its monthly payroll to its contractor accountants: we have examined the monthly payroll for the year to the 31st of March 2026 including payroll payments to councillors in relation to their emolument payments, the grounds and office staff. We have: -

- Noted that the Council's payroll function continues to be outsourced to DCK Payroll Solutions;
- Ensured that the Council has approved employee pay rates for the Financial Year, ensuring that these were correctly applied;
- Noted that each Council employee has received written confirmation of their FY2025-26 pay rate, SCP point and salary, whenever a pay review has been Approved and Adopted;
- Reviewed the Council's Staff Establishment list;
- Checked and verified the payroll to the 31st of March 2026;
- Ensured that appropriate PAYE tax codes are being applied to both employees and members' allowances and that PAYE deductions were computed accurately based on the current 'tables';
- Ensured that NI deductions were computed accurately based on the current 'tables';

- Ensured that the correct percentage superannuation deductions, based on the revised LGPS, are being applied where appropriate;
- Checked and verified that net salary payments have been made to staff appropriately and been recorded accurately in the accounting records, noting that all salary and members' allowance payments continue to be made by BACS;
- Checked and verified that appropriate and accurate reporting has been made to HMRC on a timely basis; and,
- Finally, we have checked and verified that only direct salary, statutory deductions and pensions costs have been recorded against Box 4 of the AGAR Accounting Statements.

Conclusions

There are no matters arising in this area of our review warranting formal comment or recommendation.

Review of Fixed Asset Registers

The Governance and Accountability Manual requires all Councils to develop and maintain a comprehensive register of all assets owned and leased by the Council. In this area, we aim to ensure that such a register is in place and contains all the basic information that should, ideally, be embodied in the records.

We have previously noted that a very detailed register of the Council's land, properties and other assets is maintained, and this continues to be the case for the current year. Additionally, for the purposes of the Statements of Account and Annual Return, reliance is placed upon the schedules prepared by the contract accountants, and we have during this final update review, been provided with copies of the schedules for 2025-26 financial year.

It is our opinion, as far as can be ascertained without conducting a physical review of assets that the Council's Fixed Asset Register, which is maintained by the Council's Accountants, contains an accurate record of the Council's assets. The Fixed Asset Register value recorded as at the 31st of March 2026 is in the amount of £6,592,029 *(£6,475,556 prior-year)* in accordance with in-year acquisitions and disposals.

Review of Investments and Loans

We have noted that the Council continues to maintain a detailed Investment Strategy and policy which was last reviewed during the 21st of July 2025 meeting of the Finance & General Purposes Committee, under Minute reference 30.

Account	Cashbook Number	Reconciled balance as at 30.03.26
Current Account	CB1	£2,500.00
First Reserve Account 1	CB2	£97,036.83
Business Reserve Account 2	CB3	£23,679.32
Special Interest Bearing Account 3	CB5	£171,763.25
Subtotal Cash at Bank		**£294,979.40**
CCLA PSDF	N/A	£250,000.00
Quilter Cheviot	N/A	£29,482.38
Petty cash balance 31.03.26	N/A	£214.62
Subtotal other Cash and Investment balances		**£279,697.00**
Total Cash & Bank Balances		**574,676.40**

As at the 31st of March 2026 the Council held funds, totalling £574,676.40 as indicated in the table above. The detail of each account has been checked and verified against the prime documentation, i.e. bank statements as at the 31st of March 2026, corresponding cashbook entries and bank reconciliations.

The Council's share portfolio investment with Quilter Cheviot as of the 31st of March 2026 held a total market value of £346,057.00. Again, we have noted that Quilter Cheviot continues to utilise Investment Income in addition to sale proceeds to purchase further investments.

We have further Noted that the Council maintains a CCLA Public Sector Deposit Fund (PSDF) account, and that the funds balance as at the 31st of March 2026 stood at £250,000 with dividends being paid directly into the Council's current account. We note that the CCLA continues to outperform the majority of investments open to councils.

We are advised by the Clerk & RFO that the level of the Council's banked funds and its investments are regularly reviewed at the Finance & General Purposes Committee.

The Clerk & RFO has certified that the Council has no loans repayable, either by or to it, as at the 31st of March 2026.

Conclusion

There are no matters arising in this area of review warranting formal comment or recommendation.

Statement of Accounts and Annual Return

As noted elsewhere in this report, the Council continues to outsource its year-end closedown processes, together with the preparation of the detailed annual financial Statements of Accounts and Annual Return data to BC&A Accountants *(previously DCK Accounting Solutions).*

As recorded in previous years' final reports, the Annual Return provides the Council's statutory Statements of Account subject to external audit certification.

We also note, however, that more detailed Accounts and Supplementary Notes (based on the FRSSE format) have again been prepared for presentation to members in order to further inform them of the underlying financial performance of the Council and provide comparative information with the previous year.

We have checked and agreed, by reference to the accounting system's closing Trial Balance and other relevant documents, the content of the Statement of Accounts and the supporting notes, detail of which is transferred to Section 2 of the Annual Return.

We have also reviewed the procedures in place for identifying year-end debtors, creditors and accruals and agreed the detailed values recorded in the year-end Balance Sheet to the underlying records with no long-standing unpaid accounts or other issues arising.

Conclusion

We are pleased to record that there are no matters arising in this area of our review warranting formal comment or recommendation and, on the basis of the work undertaken during the course

of our review for the year, we have "signed off" the Internal Audit Certificate in the Annual Return assigning positive assurances against all Internal Control Objectives.

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NOTE TO REPORT

We confirm that all confidential & sensitive information, supplied for the purposes of this audit including, Personnel Minutes, Payroll and Employment data have been permanently deleted from Auditing Solutions Ltd.'s servers and any printouts made for the purposes of this audit have been destroyed in accordance with the Company's data and document retention policies and with the prevailing General Data Protection Legislation.

Appendix 4

Rec. No.	Recommendations	Response
	Review of Corporate Governance – Digital and Data Compliance	
R1	We encourage the Clerk & RFO to review the WCAG 2.2AA test report, supplied as Appendix 'A' to this Internal Audit report and to work with the website's host to achieve greater compliance with current Accessibility Legislation as amended from time to time.	
R2	The Information Commissioner has published a mandatory publication scheme for Public Authorities. This can be located and downloaded at https://ico.org.uk/for-organisations/foi/publication-schemes-a-guide/ . We strongly advise that the Clerk & RFO revises the Council's current publication scheme in accordance with the ICO's model document.	
R3	We encourage the Clerk & RFO to work towards supplying all Council Members with preformatted Smart Tablets to enable them to access the Council's Email and documentation via a secure and controlled system.	
R4	We advised the Clerk & RFO of the new GDPR Legislation which comes into effect on the 19th of June 2026. An overview has been provided to the Clerk & RFO under separate cover. We strongly suggest that the Council's Subject Access request policies are updated to come into compliance with this new legislation.	

R1. The WCAG 2.2AA test report has been reviewed, and the website host has worked to improve greater accessibility compliance increasing to 79.5%. We will continue to monitor our website accessibility compliance.

R2. Currently revising the Council's publication scheme in accordance with the ICO model document.

R3. This is something we may consider following the May 2027 local council elections.

R4. The required changes have been made in accordance with the renewed legislation.

NEW MILTON
TOWN COUNCIL

Comms Officer Report

For Town Council Meeting on Monday 10 August 2026

LGR and Cyber Risk

The Ministry of Housing, Communities and Local Government (MHCLG) have indicated that cyber-risk does not remain static during LGR. It typically increases during periods of change, especially with organisation and structural changes happening, and particularly when there is media interest broadcasting these changes.

Vulnerability could also be exposed during the resulting implementation of internal processes affected by workforce uncertainty. Processes involving the inclusion of more digital devices, intensive data movement, sharing and consolidating data, could lead to increased phishing and social engineering activity.

It is important to remain vigilant and for the council to continue its positive focus on digital, data and technology and cyber matters in the coming months and beyond.

To maintain our resilience, we need to continue working to further strengthen our culture of cyber-security and adopt Zero Trust principles to protect our systems, data, and users.

Security Management Policy

New Milton Town Council is committed to maintaining the security and wellbeing of staff, members, partners, and the surrounding community. The Security Management Policy is but one aspect of the overall workplace safety efforts. Together, these efforts cover personnel, information and asset security, as well as offering ongoing training activities.

There are various laws, regulations, and standards, which apply to our organisation. We are committed to comply with these. In particular Assertion 10 AGAR obliges the council to provide technical safeguards for data and digital threats from cyber-attacks.

Cyber Essentials and Cyber Essentials Plus Accreditation, as recommended by the government, have been achieved based on five technical controls being implemented, and rigorously monitored and audited.

These protections include

1. **Firewalls** – a security filter between the internet and our network
2. **Secure configuration** – set up computers securely to minimise cyber-criminal access
3. **Security update management** – prevent cyber-criminals using vulnerabilities they find in software
4. **User access control** – control who can access data and services and levels of access
5. **Malware protection** – identify and immobilise viruses or other malicious software

NEW MILTON TOWN COUNCIL
CALENDAR OF MEETINGS
2026-2027

Month & Year	Town Council	Amenities Committee	F & GP Committee	Planning Committee
	Monday	Monday	Monday	Fortnightly Tue / Thu
May 2026	11 Annual Meeting	26 (Tue)	-	12 (Tue), 28
June 2026	29	-	15	11 & 25
July 2026 10 Indian Obelisk	-	6	20	7 (Tue) & 23
August 2026 23 WWII Clock	10	24	-	6 & 20
September 2026	28	-	7	1 (Tue) & 17
October 2026 19 Annual Allots	-	13 (Tue)	26	1, 15 & 29
November 2026 8 Remembrance	9	23	-	12 & 26
December 2026 5 Carol Service	-	-	7	8 (Tue) & 22
January 2027	4	18	-	14 & 22
February 2027 7 Civic Service 20 Tea Party	15	-	1	11 & 25
March 2027 17 Civic Celebration Date TBA Annual Towns Mtg	30 (Tue)	1	16	11 & 25
April 2027	-	13 (Tue)	26	8 & 22
May 2027 6 May - Elections	18 (Tuesday) Annual Meeting	-	-	4 (Tue) & 20

All meetings are normally held at 6.30pm in the Town Hall, 2 Ashley Road, BH25 6AS
Members of the Public are welcome to attend any meeting and may speak as follows:

a) **If time permits, Town Council meetings will be adjourned at the end for a '<u>DEMOCRATIC HALF HOUR</u>' during which members of the Public, with the approval of the Chairman, may initiate discussion on matters of community interest and which fall within the responsibility of the Town Council.**

b) **Prior to the commencement of other meetings, and at the discretion of the Chairman, a short period of Public Participation may take place. Members of the public may speak on any item(s) appearing on the public agenda, or on any other matter that falls within the Committee's terms of reference.**

<u>Annual Assembly (Town's Meeting)</u> - Is a public meeting required by statute to be held between 1 March and 1 June (inclusive) each year. <u>Note: It is not a Town Council meeting</u>.

<u>Annual Meeting of the Council</u> - In a year of ordinary elections of parish councillors, the annual meeting shall be held within 14 days of the councillors elected at that election taking office.

28.07.26