

Response to Internal Audit Report 21/22

Sandie Morris

15/6/22

Annual Risk Assessment minuted – yes

Standing orders and financial regs reviewed - yes

The council has not reviewed Risk Assessment, Financial Regulations or standing Orders during the year. They were also not reviewed during the 20/21 period. We have experienced some significant staff capacity issues and as such this has not been able to be prioritised. We anticipate having new staff capacity in place within the next few months so should be able to review later this financial year.

Any corporate cards are held with defined limited and cleared monthly by direct debit – Yes – could some of the expenditure on cards be paid by DD or BACS?

Not knowing the detail on the corporate cards – could the transactions possibly be replaced by DDs or transfers?

The cards are specifically used for items which cannot easily be paid by DD or BACS, such as shop or web purchases. I agree that more details should be included in Scribe to ensure visibility and approval by council.

There is also approximately £286 of bank charges, which the Council might look to reduce.

Noted, to be reviewed. Includes current account quarterly charge (around £60) and corporate card charges.

A website is up to date and accurate – yes – Excellent Clarity. Somewhat surprised that the Wordpress login is visible and that the Clerk is anonymous

Wordpress login – noted. Will be reviewed.

At the time of audit the council had a locum clerk in position.

The Council has an Annual Meeting (of the Council) – not an AGM.

Noted.

Every Agenda should be signed by the Clerk rather than a typed signature

The hard copy of the minutes are signed and available for inspection on request. In line with GDPR/Accessibility “real” signatures are not published on the website.

The general accounting convention (for parishes) is to record everything at cost, which removes the need for calculations of depreciation. I realise that this may present some challenges, depending on how long the assets have been in the Council's possession, but would recommend that, so far as is possible, – cost price is recorded. The only time I would recommend valuations is if the Council wishes to sell an item.

The guidance allows any reasonable and consistent method of valuation of fixed assets. The council resolved its fixed asset procedures to include depreciated values over the economic life of the asset. The register includes cost and replacement values for information and insurance purposes.

It is for the Council to comment on planning applications and the decision must be approved at a Council meeting or at a properly delegated Planning Committee. Alternatively, the Clerk may be delegated to respond to planning applications. In this instance, Council will generally advise the scope of the powers delegated to the Clerk, a delegation which cannot be accorded to an individual Cllr.

There are no decisions, only observations. Observations are made in accordance with the council's neighbourhood plan, which has been agreed. We do not believe this contravenes standing orders or regulations.

After the public participation, the Chairman should advise that the meeting is going into closed session and no one, other than Cllrs and officers may speak unless the meeting is formally opened for someone else to speak eg a district Councillor.

Noted, we have been endeavouring to limit public interjection in closed business, whilst seeking to maintain open democracy.

Why was no VAT recovered?

VAT returns are submitted quarterly and 4 payments were received in the year as shown in the receipts listing.

VAT is shown in Receipts and Payments accounts, but is not shown in Income and Expenditure accounts in line with accounting practice.

As we reported Receipts and Payments until last year, there is a line in the budget for "VAT refunded".

The value for the VAT debtor is included in the balance sheet (and reconciliation from Line 7 to Line 8)

Earmarked reserves are generally listed at the year end – as in the simple example below

Earmarked reserves were itemised and reviewed annually as part of the budget assessment process. The year end report of reserves is limited by the functionality of our accounting system which does not allow earmarked reserves to be itemised. I have seen no guidance requiring them to be itemised and reported as part of the year end schedules, and feel that to deviate from the system generated reports could create other issues.