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# LIGHTATOUCH

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26 June 2024

The Parish Clerk and Responsible Finance Officer

Clifford Chambers and Milcote Parish Council  
Clifford Chambers

Stratford on Avon

CV37 8HR

## Clifford Chambers and Milcote Parish Council – Internal Audit Review 2023/2024

### Introduction

The Accounts and Audit (England) Regulations 2015 (as amended) require all Town and Parish Councils to undertake an effective internal audit to evaluate the effectiveness of their risk management, control and governance processes, taking into account public sector internal auditing standards or guidance.

We confirm that we are independent of the Council.

The internal audit work we have carried out has been planned to enable us to give our opinion on the control objectives set out in the Annual Internal Auditor’s Report on the 2023-24 Accountability and Governance Annual Return (AGAR).

We have complied with the legal requirements and proper practices set out in:

- ‘Accountability and Governance for Smaller Authorities – A Practitioners’ Guide (England)’ 2023
- The Accounts and Audit (England) Regulations 2015 (as amended).

This is the only internal audit review for 2023-2024 to check that the Council adheres to the requirements set out in the Accountability and Governance for Smaller Authorities in England ensuring that compliance with proper practices is maintained.

Further confirmation has been obtained of good practice and compliance with the Transparency Code Regulation 2015 and the ICO Publication scheme from the Council’s website

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After an initial discussion with the Chief Executive Officer (CEO) at Warwickshire Association of Local Councils (WALC), an email request was received from the Chairman of the Parish Council on the 07 May 2024 sent to me as Chairman of the Internal Auditor Forum. A Governance review report had been produced and accepted by the Parish Council recommending that an experienced internal auditor should undertake the internal audit of the Parish Council for 2023-2024 and encouraged the Parish Council to seek a new internal auditor from the Internal Audit Forum (IAF).

A virtual meeting was held with the Chairman and Parish Clerk on 09 May 2024 to establish the basis of an internal audit review and to discuss ongoing issues that had been raised as part of the Governance review with a view to finding a suitable experienced internal auditor from the IAF.

Due to the lack of time available to meet statutory deadlines for the submission of the Annual Governance and Accountability Return, including the completion of annual internal audit, it became apparent that this could not be achieved to satisfy the submission date deadlines to the External Auditor as IAF member availability in the Parish Council area was fully booked.

It was agreed that the internal audit for the Parish Council for 2023-2024 would be carried by Lightatouch prior to the deadline submission for the AGAR of 30 June 2024. A pre-internal audit questionnaire was sent to the Parish Clerk for completion and return before the planned visit. This was completed, signed and returned on the 24 May 2024.

Arrangements were made to visit the Parish Council on Monday 24 June 2024 to inspect the records of the Parish Council for the internal audit review. A list of records that were required for inspection were sent to the Parish Clerk with a request that some of these be made available in advance of the visit to be sent electronically. Further records for inspection were listed to be made available on the day of the visit.

The Chairman and the Parish Clerk provided me with a copy of the Governance Review, and we have noted the recommendations made in the report.

The Governance review report made recommendations to strengthen the governance of the Parish Council our opinion is that we strongly recommend that action is taken to implement all recommendation made in the review.

We have further noted the some of the recommendations made in the Governance review were added to the agenda of the Parish Council for their meeting on the 03 May 2024. We understand that Parish Clerk was unavailable to attend this meeting, but minutes were produced by a member of WALC and sent to the Chairman. These minutes record the Parish Council accepted all recommendations in the Governance review report. We now urge the Parish Council to implement all recommendations.

The Chairman was asked to ensure the Minutes of this meeting were circulated to the Parish Clerk and displayed on the website.

We have noted that although the agenda is displayed on the website, no minutes are displayed or held in the minutes folder which we checked at the internal audit visit.

The Parish Clerk who confirmed she would supply a copy of the minutes by sending these electronically to us for verification. At the time of producing this report we have not received a copy of the minutes from the Clerk.

We ask the Parish Clerk to send a copy of these minutes as requested, and to display them on the Parish Council website. A signed copy of the full minutes should also be retained in the minute folder.

**We recommended that the Parish Clerk should implement the action plan approved by the Parish Council at the meeting on the 3 May 2024.**

**We recommend that an action plan is drawn up to track each recommendation and the action that has been taken, highlighting and prioritising improvements in the governance, operational and financial management of the Parish Council.**

**Furthermore, we strongly recommend the Parish Clerk should accept the invitation from the County Association for Clerk refresher training as this will ensure she is provided with the most up to date information.**

We have indicated to the Parish Clerk who is also the Responsible Finance Officer (RFO) the need for better internal control systems which can improve a more robust approach to ensure compliance with regulation and proper practices. This will require the Council to be more adaptable to change but will deliver better efficiency and provide robust systems to ensure better governance and financial security for the Council.

The success of the Council relies on the willingness of both Councillors and Staff to work together to establish a relationship that respects their individual roles and ensure the requirements of the laws, statutes, and the legal framework to allow the Parish Council to operate within its powers and adhere to them.

Both parties must play their part, although it appears there is no willingness for this to happen and we are concerned that this may never be established. This can only harm the reputation of the Council.

It is our opinion that if this is not resolved quickly it will be difficult to defend to the local community that the Council are acting in their best interests, and this could eventually lead to Electorate complaints.

The External Auditor may investigate these complaints which will lead to a Public Interest Report being published nationally or that the Principal Authority may decide by order to dissolve the Parish Council and take back control of the council area themselves.

The Parish Council must now prioritise the way forward and introduce new operational systems, additional training in areas where it is necessary and comply with regulations and proper practices.

A review of the internal controls systems show that the Parish Council do not comply with:

- Proper Practices laid down in the Practitioners Guide 2024
- its own Financial Regulations and Standing Orders.
- the Transparency Code Regulation 2015
- the Website Accessibility Regulations 2018
- a Privacy Policy statement

It is our opinion that the lack of transparency to provide clear audit trails and a lack of audit evidence gives cause for concern. There is a greater risk of misappropriation or fraud is enhanced where controls are lacking, and this should be urgently addressed by introducing the following internal control systems:

- Separation of duties (prevents)
- Reconciliation between records (detects)
- Checking & authorising (prevents)
- Reporting & monitoring (detects)
- Safes, passwords, locks (prevents)
- Copies/backups (prevents)

**At present our opinion is that the Parish Council cannot satisfy Assertion 2 on the Governance Statement 2023-2024 as it does not:**

- **Maintain an adequate system of internal control including measures designed to prevent and detect fraud and corruption and review its effectiveness.**

**The Parish Council should tick “No” to Assertion 2 on the Governance Statement 2023-2024 We will tick “No” on the Annual Internal Audit Report 2023-2024 to Control Objective B**

**It is also our opinion that the Parish Council cannot satisfy Assertion 5 on the Governance Statement as it has not:**

- **Carried out an assessment of the risks**
- **taken appropriate steps to manage those risks including the introduction of internal controls**

**The Parish Council should tick “No” to Assertion 5 on the Governance Statement 2023-2024 We will tick “No” on the Annual Internal Audit Report 2023-2024 to Control Objective C.**

**Furthermore, the Parish Council are now required to adhere to the requirements of the Transparency Code Regulation 2015 as income and expenditure for 2023-2024 is below the £25,000 threshold to display the criteria requirements on the Parish Council website.**

**At present our opinion is that the Parish Council cannot satisfy Assertion 3 on the Governance Statement 2023-2024 as it does not:**

- **follow the requirements of the Transparency Code Regulations 2015.**

**The Parish Council should tick “No” to Assertion 3 on the Governance Statement 2023-2024 We will tick “No” on the Annual Internal Audit Report 2023-2024 to Control Objective L.**

We have noted that the Parish Council have approved the use of the General Power of Competence as they confirmed it met the criteria at their meeting in April 2023. This provides for certain opportunities to allow the Parish Council to make decisions that do not restrain them to Section 137 of the Local Government Act 1972. However, decision making must always be a collective decision or done under an agreed scheme of delegation. We have found no evidence that a scheme of delegation exists and therefore decision making should be done by the full Parish Council and minuted.

**No decisions should be taken under the Power of Competence criteria by individual Councillors or staff.**

We have carried out both substantive and compliance testing to support the completion of the internal control objectives on the (AGAR) Annual Internal Audit Report.

## **Background**

Clifford Chambers and Milcote Parish Council has income and expenditure of between £50,000 to £100,000 and was subject to a limited assurance review in 2022-2023 by the external auditor, Moore.

The Council had three “other matters” from the External Auditor in 2022-2023 which stated:

### **Other Matters:**

*Following approval of the Return, the Public Rights Period should commence as soon as is reasonably practicable, in line with the Audit and Accounts Regulations 2015, section 12 (3)(a). For the current year this would have been a period commencing on 5 June 2023, however the council did not announce its inspection period until the 16 June commencing on the 17 June. The Council should ensure that any such necessary delays are clearly notified to the public to ensure they are given full opportunity to exercise their public rights.*

*Section 2 of the AGAR was initially submitted without the Trust Fund disclosure in Box 11a completed. This was later resubmitted with a 'No' answer which was in line with our expectations and with the N/A response at 11b. We have no further concerns in this area.*

*Additional variance information needed to be requested. The parish council should in future ensure that all the necessary supporting information is provided with their initial annual submission.*

**Audit Note:** *The issues raised by the External Auditor will need to be resolved in 2023/2024.*

The Council is not a sole managing trustee.

## **Findings**

**As part of this Internal Audit Review, we checked:**

### **Bank Reconciliations**

- The financial totals as at 31 March 2024 were recorded in the management accounts as detailed on the bank reconciliations.
- A sample of BACS, direct debits, standing orders, transfers were checked and accounted for in the period 1 April 2023 to 31 March 2024.

**Audit Note:** *We noted that although bank reconciliation sheets were held on the audit file produced at the internal audit visit these are not signed by the Parish Clerk and the Chairman of the Parish Council.*

**Audit Note:** *We noted from the cashbook and bank statement details that the Parish Council have stopped using cheques and are now processing payments through online BACS payments since August 2023. The bank mandate has been set up with Nat West Bank by the Parish Clerk and at present there are two signatories mandated to operate online banking. These are the Chairman (J Tribe) and the Parish Clerk (D Woodliffe). In practice the Parish Clerk raises all BACS payments and send these to the bank. No internal check or approval is given before payments are processed to the bank.*

***Audit Note: Currently, no Councillors have been set up to authorise online payment to the bank and although the Chairman is listed to operate online payments he does not approve or authorise any payment created by the Parish Clerk.***

**Recommendation: We recommend that:**

- The Parish Council should set up all Councillors to be able to approve and authorise online payments through the Parish Council bank accounts. The Parish Clerk should no longer send online BSACS payment to the bank without authorisation.
- As an interim measure the Chairman should be asked to approve all online payments before payment is made to the bank. He should sign and date the BACS payment schedule to record that he has approved the payment to be made. Once the bank mandate is revised to include all Councillors then an approval process should be established which includes approval of all payments processed by the Parish Clerk.
- Bank reconciliations using the template provided in section 5 of the Practitioners Guide 2023 should be provided to all Councillors at every meeting.
- A review of the Parish Council bank mandate should be carried each financial year.
- the bank reconciliations should be signed and dated by the Responsible Finance Officer each month.
- the Chairman of the Parish Council should sign and date the bank reconciliations quarterly to confirm that bank reconciliations have been carried out accurately as part of Parish Council scrutiny role.

#### **Income and Expenditure**

- A test check on income and expenditure for the period 1 April 2023 to 31 March 2024 was carried out to ensure details are accurate to the bank statement details for the Parish Council.

***Audit Note: In discussion with the Parish Clerk, she confirmed that her interpretation of having a scheme of delegated authority was based on the use of the NALC financial regulation 2019 paragraph 4.1. We discussed that the Parish Council had not adopted a formal scheme of delegation and therefore the use of paragraph 4.1 could not be used to provide authority to her to spend outside the limits recorded without a formal scheme of delegation to be adopted by the Parish Council.***

**Recommendation: We recommend that:**

**The Parish Council should consider a formal scheme of delegation so the Parish Council can operate efficiently and effectively within the powers to spend public monies. This should be minuted by the Parish Council.**

**Any scheme of delegation should have sufficient internal controls to protect the assets of the Parish Council.**

- The Parish Clerk confirmed the use of a Planning Consultant, J Philcox, to provide services in respect of a planning application for All Things Wild. We requested to be shown the details recorded in the minutes that the Parish Council approved to use his services and copies of invoices that had been paid. The Parish Clerk indicated that she would be able to supply these details by sending them electronically to the internal auditor. At the time of producing this report none of these have been received, to confirm and record the Parish Council approved the use of his services.

***Audit Note: It remains unclear as to how payments have been made to J. Philcox as there is no reference to payments being made to him in the 2023-2024 cash book entries. The Parish Clerk confirmed however, that he continues to provide planning advice to the Parish Council, so it is puzzling how he is paid for his continuing services.***

- We further asked the Parish Clerk to explain why payments had been made to Motion for £1140.00 on 08 May 2023. The Parish Clerk confirmed that this organisation was used to provide professional advice for a transport survey on the recommendation of J Philcox. The invoice received was paid by cheque in May 2023. The cheque stub is initialled DW as an approval of the payment.

***Audit Note: All payment information must describe and record the Contractors or Suppliers payee information. The Parish Council should only make payment to Contractor and Suppliers on receipt of a VAT invoice, and this must be matched to the details recoded in the cash book.***

***Under no circumstances should any payment made hide the true reason for payment to a payee. A clear description in the cash book should be maintained that records the reason for payment.***

***Audit Note: We noted that the invoice/payment vouchers do not show that the invoices have been checked and agreed as required in financial regulations 5.3. We have also noted that the payment details recorded on the Excell cash book spreadsheet do not contain sufficient narrative to describe the reason for payment.***

**Recommendation: We recommend that:**

- each invoice received for payment should be checked and agreed by the Parish Clerk that goods and services have been delivered and received before payment is made.
- BACS schedules should be printed off, signed by the Parish Clerk to confirm the payments to be made to the contractor or supplier are correct. These should be countersigned by one of the Councillors mandated to approve bank payments in the Parish Council bank account.
- BACS schedules should be presented to the Parish Council showing the total payments to be made before payment is sent to the bank.
- No payments should be made from the Parish Council bank account without approval of the Parish Council unless it is specified to do so in a Scheme of Delegation.
- The Parish Council should introduce a regular Councillor Walk through test where invoices are taken and checked to ensure that the payments made agreed with decisions taken by the Parish Council. This test will check the raising of the original order for goods and services thorough to checking that the correct amount has been paid shown on the bank statement.

In discussion with the Parish Clerk, it was agreed that the collection of income for Allotments had not been formalised to collect all fees due from allotment holders in 2023-2024. No formal sales invoices are raised to record the fees to be collected with each plot holder and it is unclear if any of the plot holders had a formal agreement with the Parish Council which reflected the current position.

It was acknowledged by the Parish Clerk that there was a need to improve the controls for the collection of allotment income and that work is required to check each plot holder's situation.

**Audit Note We have assessed that we will tick "No" to Control Objective E on the annual internal audit report for 2023-2024.**

**Recommendation: We recommend that:**

- **The Parish Council should set up a formal sales invoicing system and each plot holder should be sent an invoice for payment for the 2023-2024 financial year.**
- **Further confirmation should be obtained of the current plot holder agreements to establish if the correct fees are recorded in each agreement.**
- **The terms of each plot holder agreement should be checked and agreed, and these should be updated and sent to each plot holder to be signed to formalise the agreement with the Parish Council.**
- **All fees and charges should be reviewed annually, and details recorded in the minutes of the Parish Council.**

**VAT Reimbursement**

- No VAT reimbursement claims for the period 1 April 2023 to 31 March 2024 have been submitted to HMRC.

***Audit Note: It is noted that the total sums to be submitted for reimbursement now totals £1489.20 at 21 March 2024***

**Recommendation: We recommend that:**

- **VAT reimbursement claim forms should be submitted quarterly or when the total for reimbursement reaches £500.**

**Contracts of Employment**

- We asked the Parish Clerk to supply a copy of her Contract of Employment as the comments made in the Governance review led to suggest the number of hours available to undertake Parish Council business is limited. At the time of producing this report we have not been provided with a copy of the contract of employment to assess the current arrangements for the employment of the Parish Clerk.

***Audit Note: Therefore, we are unable to make formal assessment of the hours agreed recorded in the contract to employ the Parish Clerk, although in discussion with the Parish Clerk it became clear that an assessment of the actual number of hours provided to the Parish Clerk may not be sufficient to discharge her duties as Parish Clerk/ Responsible Finance Officer.***

- Consideration should also be given as to whether the Parish Council would benefit from splitting the role of Parish Clerk/RFO in favour of two dedicated posts for the Parish Council.
- It is also noted that there is no formalised Performance Management at the Parish Council in place to assess and monitor the performance of the Parish Clerk.

**Recommendation: We recommend that:**

- **The Parish Council should review and assess the Contract of Employment for the Parish and consideration given to the number of hours need to fulfil the role of Clerk/RFO.**
- **The Parish Council should also consider if there is any benefit to split the role of Clerk/RFO in to two posts for the efficiency of the Parish Council.**
- **A performance management system must be introduced to review and assess the performance of the Parish Clerk with a view to highlight future training needs or to assess if further action is required for disciplinary action due to poor performance which does not meet the requirements of the job specification and job role.**



## Payroll Information

- The validation of payroll information for 2023/2024 was also checked to ensure that suitable arrangements are in place to deduct PAYE from gross salary of the Parish Clerk during the financial year.
- It is noted that the payroll arrangements were outsourced to a payroll provider and subsequent payments to HMRC for payment of PAYE/National Insurance and pension contributions were in place.

***Audit Note: It is noted that a refund of £1780 was paid back to the Parish Council for an overpayment to the Parish Clerk where the full amount of the pay award was paid for 2022-2023 in error. The original payment made did not account for the reduction of back pay to be calculated based on the percentage of hours worked by the Parish Clerk.***

***Audit Note: We were puzzled as to how this miscalculation was made by the outsourced payroll provider. It is now clear that this was paid by the Parish Clerk (using her unauthorised scheme of delegation).***

***However, we have noted that the output received by the payroll provider is not independently checked by one of the Councillors to ensure that the appropriate salary is paid, and deductions are correctly paid to HMRC for PAYE and National Insurance.***

## Recommendation

**We recommend that:**

- All payroll output should be checked and signed off by a Councillor to introduce a validity check that all payroll information is correct before payments are sent to the bank.

## Budgetary Management:

- We have found no evidence recorded in the Minutes of the Parish Council that a regular review is carried out to compare the budget of the Parish Council to the actual income and expenditure received.
- We have noted that the details of the budget are held on a spreadsheet for 2023- 2024 recorded by the Parish Clerk. It does show details of variances between income and expenditure expected but we found no evidence that this was regularly reported to the Parish Council. The Practitioners Guide 2023 set out clearly the responsibility of the Responsible Finance Officer to ensure the Parish Council is kept informed and to provide evidence that budgetary control has taken place.
- If this is not done and checked on a regular basis then the Parish Council may not be aware of the overall budgetary position and where large variances from the original budget have been shown.
- The Parish Council might also make decisions which are based on out-of-date financial information and could put at risk the potential to overspend from the original budget.

***Audit Note: The Parish Clerk disagreed that no budget information was supplied to the Parish Council but accepted that there is no evidence in the minutes to record that budget v actual is reported and discussed by the Parish Council and the action taken on over or underspending of budget items.***

**Recommendation: We recommend that:**

- The Parish Council should receive regular budget v actual reports that clearly set out the variances and outturn information for each budget line. These reports should be taken to the Parish Council on a quarterly basis and the recorded in the Minutes of the Parish Council.

- The Parish Council should review earmarked and general reserves on a regular basis. Where earmarked reserves are not used during the financial year and if projects are unlikely to commence then they should be transferred back to general reserves and reallocated.

**Audit Note:** We have assessed that we will tick “No” to Control Objective D on the Annual Internal Audit Report for 2023-2024.

### **Risk Assessment Documentation**

We noted that the Council have not approved all risks of the Council and recorded these in the Minutes for 2023/2024 to ensure that the requirements of the Governance and Accountability for Smaller Authorities in England (March 2023) is met. **The Parish Council are reminded to tick “No” to Assertion 5 on the Governance Statement 2023/2024. We will also tick “No” to Control Objective C on the Annual Internal Audit Report. This should be remedied in 2024/2025.**

**Recommendation:** We recommend that:

- the Parish Council should review and approve its risks by producing a Risk Assessment for 2024-2025.
- This should be adopted and minuted by the Parish Council. The revised Risk Assessment should be posted on the Parish Council Website.

**Audit Note:** The Parish Clerk noted this had not been carried out in 2023/2024 and it will be added to an agenda for a future meeting in 2024-2025.

### **Insurance**

- We have checked and are satisfied that the Insurance arrangements for the Parish Council are sufficient for the current size of the Parish Council.

### **Asset Register**

- The Asset Register at 31 March 2024 was reviewed and additions for 2023/24 were agreed.

**Audit Note:** To comply with the requirements of the Transparency Code Regulation 2015 the Asset Register should be displayed on the Parish Council website.

### **Transparency Code Regulation 2015**

- We discussed with the Parish Clerk the requirements of the Transparency Code Regulation 2015 and ICO Publication Scheme and what should be shown on the Parish Council website to ensure compliance with the regulation.

Information should be displayed on the Council website as follows:

- all items of expenditure above £100
- end of year accounts
- annual governance statement
- internal audit report
- list of councillor or member responsibilities
- the details of public land and building assets

- Minutes, agendas and meeting papers of formal meeting

***Audit Note: We have provided a link to the Transparency Code Regulations 2015 for the Parish Clerk to review all information held on the website to ensure compliance is maintained to the requirements the code.***

### **Parish Council Website**

- Our check of the current documentation on the Parish Council website shows it does not comply with the Transparency Code Regulation 2015 as the following elements are not adequately recorded:
  - The list of council member responsibilities
  - The details of public land and building assets

***Audit Note: This compliance ensures the display of governance documents plus financial management information is available to all stakeholders and the community.***

### **Recommendation We recommend that:**

- **The Parish Council should remedy this by uploading the detailed requirements to ensure compliance with the Transparency Code Regulation 2015.**

### **Accounts and Audit Regulations 2015**

- The Parish Council are reminded of the publication requirements to be displayed on the Parish Council website once the Annual Governance and Accountability Return 2023/2024 is approved and submitted to the External Auditor.
- Under the Accounts and Audit Regulations 2015, authorities must publish the following information on the authority website/webpage:

#### **Before 1 July authorities must publish:**

- Notice of the period for the exercise of public rights and a declaration that the accounting statements are as yet unaudited.
- Section 1 - Annual Governance Statement, approved and signed
- Section 2 - Accounting Statements, approved and signed

#### **Not later than 30 September authorities must publish:**

- Notice of conclusion of audit
- Section 3 - External Auditor Report and Certificate
- Sections 1 and 2 of AGAR including any amendments as a result of the limited assurance review.

***Audit Note: We recommended as best practice, to avoid any potential confusion by local electors and interested parties, that you also publish the Annual Internal Audit Report.***

## **Council Policies**

- Policies listed on the Website do not include the following which should be produced to inform stakeholders and the community on how these have been embedded into the governance and financial management of the Parish Council to protect public money:

### **Recommendation: We recommend that:**

- **The Parish Council should review all policies once a year. We understand the Parish Clerk is currently reviewing the new NALC model Financial Regulations and these should be adopted and followed during 2024-2025 to provide a clear record of the financial processes used by the Parish Council.**
- **Once adopted these should be displayed on the Parish Council Website.**
- **We strongly recommend that a scheme of delegation is produced and adopted by the Parish Council that clearly set out the delegation criteria and agreed limits that can be used by the Parish Council and Parish Clerk. The details of which should be updated in Financial Regulations.**
- **We also recommend that the following policies should be introduced to provide further evidence of good governance and financial management at the Parish Council:**
  - **an investment policy**
  - **a Reserves policy**
  - **a privacy policy**
- **We also recommend that a policy for Business Continuity and/or Disaster Recovery Plans should be produced to ensure that the Parish Council can continue its business in the event of unexpected or tragic circumstances**

## **Parish Council Website -Website Accessibility Statement**

- A Website Accessibility Statement should be uploaded and displayed on the Council Website to publish the requirements of the Website Accessibility Regulation 2018.

## **Minutes of the Parish Council**

- We have found that the agendas and minutes held in the minute file and displayed on the Parish Council website do not comply with the requirements set out in the Local Council Administration (Charles Arnold Baker) as:
  - All minutes held in the minute file are draft minutes
  - The draft minutes and not fully approved minutes have been signed by the Chairman as a true record of the decisions and approvals by the Parish Council.
  - The minute file is not sufficient to use as the official minute book record.
- Items recorded do not follow the requirement for sequential numbering to match with agenda items to formulate a continual record of items resolved and adopted in the minutes of the Parish Council.
- Minutes of the Parish Council are held on the Parish Council website but there are gaps where some meeting minutes have not been uploaded and displayed in 2023-2024.
- We reiterate the points raised in the Governance review that the recording of minutes should be a factual record of the decision and resolutions made by the Parish Council.
- We urge the Parish Clerk to set out minutes that match the decisions and approvals taken by the Parish Council, so it is clear of the decision making that has been made at the meeting.

- The draft minutes should then be displayed on the Parish Council website until such time the minutes are approved and signed as a true record at the next meeting.
- The fully signed minutes should then be uploaded to the Parish Council website to formally display the record the decisions made at the meeting.
- The Parish Clerk should always ensure that a full set are held on file.

***Audit Note: We are concerned that the current draft minutes do not form a legal record of the proceeding taken at the Parish Council. Immediate action should be taken to formally ratify and approve all decisions taken so the fully signed minutes is a record all the proceedings of the Parish Council. The Council are reminded that each page of the Council minutes should be initialled to confirm the accuracy of the information recorded in the Minutes.***

**Recommendation: We recommend that:**

- **All agenda and minutes must be recorded as full minutes using sequential numbering that is required to ensure that all decisions made by the Parish Council are legally recorded as part of fully signed minutes of the decisions and adoptions agreed by the Parish Council.**
- **All decisions should be recorded in the full minutes and the words resolved and approved, or not approved. If a Councillor should wish to abstain this should also be recorded.**
- **All decisions should then be shown in number format by recording: For, Against or Abstained.**

#### **End of Year Procedures 2023/2024**

- We discussed with Parish Clerk the documentation to be provided to the External Auditor. This included using the supporting documentation to provide a bank reconciliation as at 31 March 2024 and explanation of significant variances for 2023/2024.
- It is recommended that the supporting information required by the External Auditor should be completed and submitted with the signed copies of the AGAR 2023-2024 and the annual internal audit report.
- We discussed with the Parish Clerk the reasons why the Annual Internal Audit Report to be submitted to the External Auditor had also been completed showing No's to some of the control objectives This was completed and signed by Tim Light FMAAT.

#### **Audit Opinion**

**We have made substantive recommendations in this report to enhance and strengthen the internal controls that exist. We are unable at this stage to give assurance that the internal control framework is adequate, and this will need to be tested again to give full assurance that it is sufficient to take forward into 2024/2025.**

**At a time when public trust in service delivery is fragile, compounded by budget constraints and rising demand, a targeted focus on governance and accountability is essential. This report is based on encouraging a culture of transparency, integrity and accountability.**

**It is our opinion that ensuring good governance and harnessing data-driven risk management is needed now more than ever. This report recommends initiatives to provide the stability needed to ensure public confidence through the incoming period of political change.”**

**Due to the need to provide explanations of No to the annual internal audit report 2023-2024 a copy of this report must be forwarded along with the AGAR, supporting documentation and annual internal audit report to the External Auditor, Moore by the deadline of 30 June 2024. This Internal Audit Letter Report should be uploaded to the Parish Council website as per the best practice requirements recorded in the Practitioners Guide 2024.**

**We recommend that it would be of benefit for the Parish Council to have an interim internal audit visit later in 2024 to assess if the internal control have improved. The Parish Council should record if they agree and approve an interim internal audit for 2024-2025.**

**Next Steps**

This report should be noted and taken to the next meeting of the Parish Council to inform them of the Internal Audit work carried out. The details of this Internal Audit Letter Report should also be Minuted by the Council.

Tim Light FMAAT

Internal auditor

**Lightatouch and Chairman of the Internal Audit Forum**