Collingham with Linton Parish Council Internal Audit Report April 2021

Introduction

Due to the continuing restrictions caused by the Covid-19 Pandemic, I am continuing to complete internal audits remotely. Hopefully, this will be the last year end in which this has to be done this way.

My role as your internal auditor is to make sure that there are robust controls in place which ensure that the Council is functioning effectively. Internal auditing is an independent assurance activity designed to improve an organisations operation. It helps an organisation accomplish its objectives by bringing a systematic and disciplined approach to evaluate and improve the effectiveness of risk management, control, and governance processes.

The scope of this audit albeit it remote is to look at the policies and procedures currently in place, to examine financial transactions in 2020/21 and to make recommendations for improvement. The conclusions reached from the audit will be based on the information given to me by Tina Wormley, Parish Clerk and Responsible Financial Officer. The audit started with a zoom session to facilitate a discussion of the year being audited and all the necessary paperwork was scanned and emailed to me.

At the close of the audit, I will complete the internal audit page of the Annual Governance and Accountability Return (AGAR). As usual, the output from this audit, which is my report should go to full council and be discussed and the recommendations considered.

The Audit

In line with my normal practise the audit began with an examination of the recommendations from my last audit. The actions taken regarding each recommendation is noted in italics.

* I found minor issues with the website such as the lack of DPI’s, but this was owing to some problems with data transfer. Tina already has this issue in hand and will resolve. *Now actioned.*
* The Financial Regulations require updating to reflect the latest guidance published by NALC. *Now actioned.*
* I also include here a recommendation from my last audit as I feel it to be important. This is the one regarding budget headings. Budget headings should be specific especially when detailing the financial requirements of costing future projects. Using budget headings such as Other and Sundry is not good practice. *Now actioned.*

Policies and Procedures

I examined the Policies and Procedures and found them fit for purpose. They included: -

* Internal Controls Document
* Risk Assessment Policy
* Asset Register
* Standing Orders
* Financial Regulations

Council Minutes

To ascertain council activity, I examined all minutes for the year being audited. The queries resulting from this exercise were all satisfactorily answered by Tina. One comment I had was that the Finance Sub Group is mentioned but the minutes were not available on the website. I would recommend that they are either put on the website or any resolutions reached by the sub-group noted and ratified by the next full Council meeting.

Website

Collingham with Linton Parish Council has a good user-friendly website. I was able to find the expected documents on it. This included the Annual Governance and Accountability Return (AGAR) for 2020/21 which include the provision of public rights during the summer of 2020. This requirement is now an internal control objective on the AGAR, so must be checked.

Councillor’s Disclosure of Pecuniary Interest’s (DPI’s)

Listed below are the current councillors, all councillors had their DPI on the website.

Angela Martin

Debbie Forsyth-Conroy

Sharon Spooner

Derek Henderson

Alan Scorfield

Julian Holmes

Diana Lee

Marianne Moses

Craig Mundy

Financial Transactions

Tina emailed me scans of the bank statements for the year being audited. I

examined a sample of the bank reconciliations for the year and was satisfied as to their accuracy.

At the year-end there was a total of £95,274.82 in the bank accounts operated by the Council. This was checked to both the cash book and bank statements.

From the bank statements I chose 10 invoices for further scrutiny and found them to be for appropriate council activity.

Tina has also actioned a VAT reimbursement claim, which had been received in March 2021 amounting to £1,057.50.

Staffing

There have been no changes to employees since my last audit. Tina had an appraisal in June 2020.

Recommendations

It is my opinion that Collingham with Linton Parish Council is an effective Parish Council serving its community well. I found good practice in that the Council is proactively planning its future budget which is to be increased by the receipt of Community Infrastructure levy (CIL) monies. The Parish Council has actively consulted with the community as to how these funds should be spent. This will ensure that activity reflects the needs and wishes of the community.

I have only one recommendation which is that the Finance Sub Group’s minutes should either be on the website or its conclusions noted and ratified by full council.

Conclusion

I would like to thank Tina for her help during the audit. The information I needed was given to me promptly and efficiently. I wish Collingham with Linton Parish Council all the best for the coming year.

Diane Brown- Collingham with Linton Auditor 18/04/2021