



Internal Audit Report 2023/24

Introduction:

I have been appointed the North Cadbury & Yarlington Parish Council's Internal Auditor since May 2019. I have seen continual tweaking in each year to improve procedures / paperwork. There will always be areas where things can be improved, and internal audit is about an ongoing improvement journey.

I have examined the accounts, minutes and supporting paperwork and website for North Cadbury & Yarlington Parish Council year ending 31 March 2024.

The Council's internal controls, governance, and accounting are to a good standard. Folders and the paperwork are easy to navigate, the minutes can be improved by better detailing of resolutions. The website is of modern design and kept up to date. The reserve is looking much healthier.

I have consistently highlighted the fact that the 1894 Local Government Act makes payments to the Church for the upkeep of land or property unlawful. I am delighted that central Government has now addressed this issue by making an amendment to the act that the Government believes now allows Local Councils to make payments providing they have identified the power they are using. So, this will be the final time my reports reference such payments as I understand the Parish Council is using S137 of the Local Government Act 1972 to make such payments, that's fine.

Noted that the Parish Council accepted all the recommendations of last years report, but there is no evidence of all Councils' members attending training on the Code of Conduct, nor has the Council moved over to online banking.

I rather fear that once this report has been received it is filed away rather than being on following meeting agendas to monitor the Council's progression towards implementing the recommendations it has agreed to undertake.

I deliver a two-part audit report, part one is the statutory annual AGAR audit, part two is where I try and add value by making recommendations that are not part of the AGAR annual checks but are generally best practice.

Part 1 – The Statutory AGAR Checks:

AGAR Box:	Yes / No:	
A	YES	Comments:
		The Council needs to see a bank statement to the 31 st march for the saving account before approving the AGAR – statement in folder only to 25 th Jan 24

B	YES	Comments:
C	YES	Comments: Last year I recommended that the scope of the risk assessment was reviewed. The adopted risk assessment is still rather poor, and I don't agree with one of its conclusions (Inducements offered to councillors, can be reported to the Full Council and/or the Monitoring Officer, not the HR Committee (The HR Committee should only be involved with supporting the employment of the Clerk)). <u>Recommendation:</u> Make the risk assessment more robust, review the scope. Maybe have a look at other councils' website to see what they use.
D	YES	Comments:
E	YES	Comments:
F	N/A	Comments: Note: Petty cash showing as £1.47 in the bank rec, I have not audited the £1.47
G	YES	Comments:
H	YES	Comments:
I	YES	Comments:
J	YES	Comments: Note: AGAR Accounting Statement has pence on it, this should be removed, and numbers rounded before it is presented to the Council for adoption
K	YES	Comments:
L	YES	Comments:
M	YES	Comments:
N	YES	Comments:
O	N/A	Comments:

Part 2 - Recommendations not affecting the AGAR checks:

1) Whole council training on the declaring of interests and dispensations:

(See last year's report) Doesn't appear that this training has been attended despite the recommendation being accepted last year.

Recommendation:

All members to attend refresh training. The Council's adopted Code of Conduct requires Councillors to regularly undertake refresh training.

(Available from SALC for £150 for the whole council inc the Clerk (if they wish to attend).

2) On-line banking:

(See last year's report) recommended last year that the council move to online banking, this recommendation was accepted, but council is still operating by cheque.

Recommendation:

The council to exclusively use online banking.

Accepted as a recommendation last year, but not implemented.

3) Uplift to the minutes: resolutions of the council.

Currently the minutes do not record that councillors are making proposals, and the minutes do not record that the council is making formal resolutions by voting.

All decisions of the Council should be made by proposal, not just there being a general agreeance, particularly when it come to the spending of public money. The details of the votes and resolutions should be recorded in the minutes.

Recommendation:

All proposals to be minuted as to:

- Who the proposer was (name of councillor)
- What exactly they proposed (the motion)
- Who seconded the proposal (name of councillor)
- What was the result of the vote? (number for, number against, abstentions)

The above is not the same as a recorded vote, a recorded vote is when each individual councillor's vote is recorded in the minutes.

4) Bank balances in minutes:

Recommendation

Both bank balances to be recorded in the minutes of meeting as per the bank rec.

Would also be useful to keep the two bank statements and the bank rec kept together after it has been signed. A monthly statement for the saving account can be printed off online.

5) Monitoring staff performance:

How does the council know it been a successful year for the staff and if to approve a SCP increase? What targets are being set? I cannot see any minutes to suggest that the HR committee had a meeting within the year.

Recommendation:

That the HR committee meets at least once a year to support the Clark, monitor performance and resolve on salary increases.

Reassessment - Sunday 5th May 2024:

After feedback received from the Parish Clerk I agreed to open backup my report, change the format, look for spelling/ grammatical errors and update the report in response to the comments that were made about the original report.

This report therefore supersedes the report issued Sunday 28th of April 2024. No further charge has been made.

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27/04/2024 & 05/05/2024