

## Internal Audit Service

### Report for Uffington Parish Council

#### Statement and matters arising 2016/2017

The Internal Audit was carried out at all times within the guidelines of the Governance and Accountability for Local Councils – A Practitioners Guide 2014.

The following functions of the Council were examined carefully and evidence found that these functions were performed satisfactorily on behalf of Uffington Parish Council:

- proper book keeping
- budgetary controls
- payment controls
- income controls
- bank reconciliations
- year-end procedures
- payroll controls
- administration procedures

In addition it was found that Standing Orders, Financial Regulations and Risk Management Report were up to date and referred to regularly and appropriately.

All accounts data is processed by a spreadsheet which is comprehensive, accurate and perfectly adequate for this Council. It is my opinion that this spreadsheet system being used for the accounts is fit for purpose for Uffington Parish Council.

Uffington Parish Council has a precept of £17,000 which it appears to use with a well thought out budget. As reported last year the parish has the benefit of a CiLCA trained Clerk and from February 2016 has been able to use the General Power of Competence.

I would like to commend the risk assessment which is an excellent document, completely fit for purpose. I am also pleased to report that a good Assets Register has now been completed.

Six audit trails were performed with no problems uncovered within this sample. I note that sometimes it is difficult to obtain the required number of quotes but Uffington Parish Council appear to take the trouble to obtain as many quotes and as much information as is needed to fund the project or service.

As this is the second year I have performed the Internal Audit, I note that, certainly over the last two years, Uffington Parish Council appears to be a very proactive Council, with much consideration and regard for the residents of the parish. They appear an efficient and well run Council who work hard on all the local government processes and procedures.

Therefore any recommendations I advise will be based on good practise to enable the Council to work even more efficiently and effectively throughout all its processes and procedures.

**Review of Recommendations from the Internal Audit for 2015/2016 and any actions taken or outstanding**

	<b>Matters Arising</b>	<b>Recommended Action</b>
1(i)	<b>Review of the effectiveness of the Internal Auditor</b>	No record in the minutes of this being performed over 2015/2016 or 2016/2017. However I understand from the Clerk that it has been discussed and will be on the agenda in June 2017.
1(ii)	<b>Recommendations from 2014/2015 Audit.</b>	The Asset Register has now been completed and is up to date.
2	<b>Anti-Fraud Policy</b>	Although no policy, I am satisfied that the Financial Regulations and the Risk Assessment cover many anti-fraud functions..
3	<b>There is no evidence to show that Internal Control is being carried out by the Council.</b>	There is now a quarterly review from a dedicated Councillor of internal financial procedures and I see that this is now reported on.
4	<p><b>Minutes</b></p> <p><b>(a) Budget Monitoring not included in the minutes</b></p> <p><b>(b) Expenditure agreed in the minutes did not have the power to spend added to that minute.</b></p> <p><b>(c) AOB is included in your minutes</b></p> <p><b>(d) The Council meeting in May 2015 did not indicate that the first half of the meeting was the Annual Meeting of the Parish Council.</b></p>	<p>(a) Although still not discussed and presented at each meeting I see that substantive monitoring of the budget is happening on a regular basis.</p> <p>(b) General Power of Competence for Uffington Parish Council from February 2016.</p> <p>(c) Still included under correspondence/AOB. As last year, I would still like to recommend that this is removed and the item title reworded.</p> <p>This has now been corrected by the Clerk.</p>
5	<b>Procurement and contracts</b>	I would still like to see some regular reporting on the effectiveness of the performance of suppliers (regular and occasional) and contractors to ensure that the Parish Council are putting all steps in place to get best value.
6	<b>VAT</b>	I understand that you were in agreement with me that the Council should be deregulated for VAT and steps have been taken to do this once the issue of the photocopier is resolved.

I was extremely pleased to see that, following my recommendations from last year's Internal Audit, the only outstanding issues are the "use of AOB" and "reviewing of suppliers".

Following on from my Internal Audit for 2016/2017 I have just two very minor recommendations to make.

	<b>Matters Arising</b>	<b>Recommended Action</b>
1	<b>Cheques for approval of suppliers invoices</b>	I note that all the Councillors signing the cheques do initial the counter slip left in the cheque book. This is extremely good practise. It would enhance this practise if the Councillors could also initial the invoices themselves.
2	<b>Expenses Payments</b>	At present the Clerk presents an expenses sheet with all details included. However I could find no receipts attached to this (where appropriate, of course). For example for stamps, magnets and plastic pockets in the expenses claim for 01/10/16 – 31/12/16. I understand that it would be extremely difficult to produce a receipt for some expenditure (printing, telephone calls etc.). Completely opposite to this, Councillors claiming expenses back appear to put in the receipt but there is no covering expenses sheet with explanations.

These matters above should be reported at the next available meeting of the Parish Council and any decision taken should be minuted.

Signed.....Patricia Ingham

28<sup>th</sup> April 2017