

INTERNAL AUDIT ACTIONS 2023.24

Council: Winkleigh Parish Council

Audit Date: 2nd May 2023

Actions required by members in red type.

This authority complied with its financial regulations, payments were supported by invoices, all expenditure was approved and VAT appropriately accounted for.			
REVIEW	COMMENT	Action Required	Action Taken & Date
Review the procedures in place for acquisition of formal tenders and quotes, ensuring they are in line with the SOs and FRs which should be based on the latest version.	Financial Regulations have been updated and outline tender requirements. Standing Orders do not have any reference to contracts so no limits included.	Recommend that Standing Orders be reviewed again and based on the latest version provided by NALC or the County Association.	Cllr Findlay to review with the Clerk Mtg 17.05.23
Ensure that consistent values are in place for the acquisition of formal tenders between SOs and FRs (frequently different limits are recorded in the two documents)	Checked. Standing Orders does not refer to finance or contracts. Financial Regulations updated and have correct limits in place.		Clerk to review with Cllr Findlay Mtg 17.05.23
Check that there is effective segregation between the writing of cheques or the setting up of online payments, and physical release of payments.	Accounts currently with Nat West. Some issues with segregation. Currently only person has access to the online banking mandate.	Recommend that appropriate segregation	Currently under review and Cllrs Findlay and Goldsworthy looking at options other than Unity Trust Mtg 17.05.23

This authority assessed the significant risks to achieving its objectives and reviewed the adequacy of arrangements to manage these.			
REVIEW	COMMENT	Action Required	Action Take & Date
Ensure that authorities have prepared, and formally adopted, at least once annually, an appropriate and comprehensive register of	A Risk Register is in place and is currently being developed.		The Clerk produced a new risk register in line with recommendations prior to year end. 31.03.23

This authority assessed the significant risks to achieving its objectives and reviewed the adequacy of arrangements to manage these.			
REVIEW	COMMENT	Action Required	Action Take & Date
assessed risks, both regular and ad hoc.			This must be reviewed annually April/May.
Ensure that appropriate levels of insurance cover are in place for land, buildings, public, employers' and hirers' (where applicable) liability, fidelity / employees (including councillors) liability, business interruption and cyber security.	Insurance policy states building value cover and includes other items that Council do not possess.	<p>Recommend a valuation of replacement costs of all buildings be undertaken following recent increases in raw materials.</p> <p>Recommend that a meeting with Council's insurers be arranged to review the current policy and delete items that are currently insured but no longer relevant.</p> <p>Further recommend that if the insurance policy is up for renewal that additional quotations be sought.</p>	<p>*Bungalow & Cemetery Group AW/AJ/AF</p> <p>Completed 01.06.23 The Clerk New tailored insurance policy in place with Zurich on a 3 year LTA 01.06.23</p>
Review the effectiveness of internal control carried out by the authority.	Needs to be updated.	Recommend that the internal controls processed and procedures are reviewed and developed to improve Council governance.	<p>AGAR Section 1 Box 2 – No</p> <p>*Council to monitor internal controls and review procedures going forward.</p> <p>*To be reviewed by the Clerk & Finance Group - AF/PO/AW/AK</p>

The precept or rates requirement resulted from an adequate budgetary process; progress against the budget was regularly monitored; and reserves were appropriate.			
REVIEW	COMMENT	Action Required	Action Taken & Date
Ensure that current year budget reports are prepared and submitted to Authority / Committees	This is currently provided at the end of year.	See note below.	*Budget reports to be supplied to Council quarterly. June, Sept, Dec, March Yr End

The precept or rates requirement resulted from an adequate budgetary process; progress against the budget was regularly monitored; and reserves were appropriate.			
periodically during the year with appropriate commentary on any significant variances.			The Clerk June 2023
Review the budget performance either during the year or at the financial year-end seeking explanations for any significant or unanticipated variances.	No budget monitoring reports are currently presented to Council though this is being addressed.	Recommend that regular quarterly budget monitoring reports are presented to Council alongside bank reconciliations.	Budget reports to be supplied to Council quarterly. June, Sept, Dec, March Yr End The Clerk June 2023
Ensure that the Authority has considered the establishment of specific earmarked reserves and, ideally, reviews them annually as part of the budget assessment process	Just been updated. Bungalow contingency is in place.	Recommend that Council considers undertaking a structural survey of the bungalow and develops a 5-10 year costed maintenance plan to ensure that adequate funding is allocated towards future maintenance and upkeep of the property.	*Bungalow Group AJ/AW

Expected income was fully received based on correct prices, properly recorded and promptly banked; and VAT appropriately accounted for.			
REVIEW	COMMENT	Action Required	Action Taken & Date
Burials: ensure that a formal burial register is maintained that it is up-to-date and that a sample of interments and memorials are appropriately evidenced, that fees have been charged at the correct approved rate and been recovered within a reasonable time: (Authorities should also acquire and retain copies of Burial / Cremation certificates)	Burial Register is in place and recently updated. Plot plan on website. Fees need to be updated.	Recommend that Council reviews its burial fees.	*Cemetery Group AF/AW
Leases: ensure that leases are reviewed in a timely manner in	Bungalow rent to be reviewed. Defibrillator is on 4 year lease.		*Bungalow Group AJ/AW

Expected income was fully received based on correct prices, properly recorded and promptly banked; and VAT appropriately accounted for.			
REVIEW	COMMENT	Action Required	Action Taken & Date
accordance with the terms of the lease and rents similarly reviewed appropriately at the due time.			

Salaries to employees and allowances to members were paid in accordance with the authority's approvals, and PAYE and NI requirements were properly applied.			
REVIEW	COMMENT	Action Required	Action Taken & Date
Ensure that, for all staff, a formal employment contract is in place together with a confirmatory letter setting out any changes to the contract.	A copy of the Locum Clerk's contract has been provided and a signed contract for the previous Clerk has also been provided.	Recommend that Council ensures that any future staff employed must have an employment contract and that a signed copy is retained by Council. Ensure that it has a signed contract of employment once a new Clerk is appointed.	*Employment Committee – once new Clerk appointed
Ensure that, for a sample of staff salaries, gross pay due is calculated in accordance with the approved spinal point on the NJC scale or hourly rate, if off-scale, and also with the contracted hours.	All in order. Only one member of staff directly employed.	Recommend that Council considers appointing an interim Proper Officer other than the Locum Clerk as this post is temporary and payment is by invoice.	Completed at Meeting 17.05.23 Cllr Pauline Odulinski appointed.
Ensure that appropriate tax codes are being applied to each employee.	All in order. Noted that PAYE and NI liabilities had not been paid for some time. This has now been rectified.	Recommend that when a new Clerk is appointed the employee is fully aware of the responsibilities and liabilities of the Council and that correct processes are put in place to deal with employee salary payments including PAYE and NI costs.	*Employment Committee – once new Clerk appointed

Asset and investment registers were complete and accurate and properly maintained. This section/assurance includes loans to or by the authority			
REVIEW	COMMENT	Action Required	Action Taken & Date
Tangible Assets			
Ensure that the Authority is maintaining a formal asset register and updating it routinely to record new assets at historic cost price, net of VAT and removing any disposed of or no longer serviceable assets.	All in order. Asset Register has been reviewed and newly purchased items added	Recommend that asset register be published on the website.	Completed. The Clerk 09.06.23
nAdditions and disposals records should allow tracking from the prior year to the current.	All in order. Asset register will be reviewed as there are items that need to be assessed.	Recommend that Council deletes any items from the asset register that are no longer in place.	*Cllr Findlay to review
Compare the asset register with the insurance schedule to ensure that all assets as recorded are appropriately insured or "self-insured" by the Authority.	There are some anomalies between the asset register and the insurance schedule. This may be because this is standard BHIB cover but the following items need checking: <ul style="list-style-type: none"> • Play equipment - £90k • War Memorial - £48k • Mowers and machinery - £6k • Sports equipment - £18k 	Recommend that the insurance cover is fully reviewed and any incorrect items removed. Recommend that a rebuild valuation is carried out to ensure that adequate insurance cover for buildings is in place.	Completed by The Clerk 01.06.23 *Bungalow Group AW/AJ

Accounting statements prepared during the year were prepared on the correct accounting basis (receipts and payments or income and expenditure), agreed to the cashbook, supported by an adequate audit trail from underlying records and, where appropriate, debtors and creditors were properly recorded.			
REVIEW	COMMENT	Action Required	Action Taken & Date
Ensure that appropriate accounting arrangements are in place to account for debtors and creditors	Receipts and payments accounting system in place. Banking undertaken online.		

Accounting statements prepared during the year were prepared on the correct accounting basis (receipts and payments or income and expenditure), agreed to the cashbook, supported by an adequate audit trail from underlying records and, where appropriate, debtors and creditors were properly recorded.			
during the year and at the financial year-end.			

The authority publishes information on a free to access website / web page, up to date at the time of the internal audit in accordance with the relevant legislation.			
REVIEW	COMMENT	Action Required	Action Taken & Date
Review the Authority's website ensuring that all required documentation is published in accordance with the relevant legislation.	A list of documentation has been uploaded on the website.	Recommend that Council develops a work programme and reviews its existing policies and updates them or discontinues them as appropriate. Consider appointing a working group to undertake this task.	*Cllr Odulinski to produce a business plan. Mtg 17.05.23 *Cllr Findlay & all members to review policies. Mtg 17.05.23