Northants CALC IAS

Internal Audit Report

(to be read in conjunction with the Annual Internal Audit Report in the Annual Governance and Accountability Return)

Name of council:	Staverton Parish Council		
Name of Internal Auditor:	Josie Flavell	Date of report:	11 June 2019
Year ending:	31 March 2019	Date audit carried out:	11 June 2019

Internal audit is the periodic independent review of a council's internal controls resulting in an assurance report designed to improve the effectiveness and efficiency of the activities and operating procedures under the council's control. Managing the council's internal controls should be a day-to-day function of the staff and management and not left for internal audit.

The council is required to take appropriate action on all matters raised in reports from internal and external audit and to respond to matters brought to its attention by internal and external audit. Failure to take appropriate action may lead to a qualified audit opinion.

To the Chairman of the Council:

At the end of my visit I was able confirm that all matters examined were in order and I was able to sign Section 4 of the Annual Return. For your information I attach a copy of my audit trail.

As indicated in last year's Internal Audit Report, Councillors may care to note that the level of their General Reserves is below the recommended level and consideration might be given to address this when setting the future budget for 2020/21.

It is evident that the monthly minutes are taken up with a considerable number of amendments, which ideally should be rectified prior to the minutes being made public and before approval at the next full council meeting. Draft minutes should ideally be circulated to council for review, comment and approval and then published once all amendments have been made and approved by council. If necessary, only minor amendments should then be carried forward to the next full meeting. However, it has been observed that the minutes are being used to dictate every word which has been said during a debate. The minutes should only be a clear and concise record of the necessary information and business that has been transacted, as well as highlighting any action to be taken. Council might consider reviewing the current process in place and make the necessary changes to alleviate this situation from re-occurring in the future.

Consideration should also be given to the correct numbering of both the agendas and minutes. Currently there is no such system in place, and this should include the year and be sequentially numbered. For example, 19/001, 19/002, 19/003.
All numbering should continue from one month to the next and the number reference inserted onto the agenda should be mirrored onto that month's minute template for ease of cross-reference. However, it is up to council and the Clerk as to what style of numbering system they decide to put in place to ensure that the minute records are completed correctly.

Pursuant to the Health and Safety at Work Act 1974, as an employer you should have a Health and Safety policy and risk assessments for various activities undertaken. It is advisable that this is something council creates and adopts during the council year.

Lastly, it should be considered that further work be completed to bring the Parish Council website up to date and for all draft minutes to be removed once the approved minutes have been uploaded.

This report is based on the evidence made available to me. It would be incorrect to view internal audit as the detailed inspection of all records and transactions of a council in order to detect error or fraud. Consequently, the report is limited to those matters set out above.

It is apparent that Council have employed a competent and diligent Clerk, who I am sure will continue to make the necessary improvements going forward.

I would like to thank your Clerk for making all the information available and for her help and hospitality during the visit.

Yours sincerely,

Josie Flavell CiLCA
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The figures submitted in the Annual Governance and Accountability Return are:

	Year ending 31 March 2018	Year ending 31 March 2019
1. Balances brought forward	10013	4032
2. Annual precept	10455	10758
3. Total other receipts	15041	5948
4. Staff costs	2611	3564
5. Loan interest/capital repayments	0	0
6. Total other payments	28866	8107
7. Balances carried forward	4032	9067
8. Total cash and investments	4032	9067
9. Total fixed assets and long term assets	113193	113793
10. Total borrowings	0	0

The proper practices referred to in Accounts and Audit Regulations are set out in *Governance and Accountability for Smaller Authorities in England (2017)*. It is a guide to the accounting practices to be followed by local councils, and sets out the appropriate standard of financial reporting to be followed. A copy of the guide is available for free download from:

http://www.northantscalc.com/uploads/practitioners-guide-2017.pdf