CAM PARISH COUNCIL

Internal auditor's report for the year ended 31 March 2021
Name of Auditor: Mary Leonard

GAPTC internal audits comply with the proper practices outlined in the Governance & Accountability for Smaller Authorities – A Practitioners' Guide and the Accounts and Audit Regulations 2015.

The GAPTC internal audit reviews and reports on whether the systems of financial and other internal controls over its activities and operating procedures are effective. The audit tests a variety of documents, including agendas and minutes, policies, insurance and risk management processes, to ensure Council meets the requirements set out in the Annual Internal Audit Report in the Annual Governance & Accountability Return. The internal audit does not involve the detailed inspection of all records and transactions of an authority in order to detect error or fraud.

Our auditors are independent of the Council and are competent to be able to carry out the requirements of the internal audit service.

1. Working documents

Ref	Test	Meets reqmts? Yes, No or N/A	Internal Auditor's comments/recommendations	Evidence
1.1	Have Standing Orders been; a) tailored to council? b) formally adopted?	Y Y		Model 2018 revised 2020 viewed online Adopted Meeting 8th May 2019 minute 19.008
1.2	Have Standing Orders been a) reviewed? b) minuted?	Y Y	Updated with the amendment in respect of the Coronavirus legislation	April 2020 19.261d
1.3	Have Financial			

	Regulations been a) tailored to council? b) formally adopted?	 Y Y		April 2021 minute FC .520 and FGPC March 2021
1.4	Have Financial regulations been a) reviewed? b) minuted?	 Y Y	Reviewed by FGPC in March and to be recommended to Full council for adoption.	View Financial Regs online and April 2021 minute FC .520 and FGPC March 2021
1.5	Does the council a) give grants? b) have a grant-awarding policy?	Y Y	Not reviewed in 2020/21 but can see the latest version has been updated in April 2021. I would recommend that the there is a date of review on the Grants Policy.	Viewed Grant Policy online April 2021 FC520
1.6	Have items / services above the recommended amount been competitively purchased in accordance with Financial and Procurement Regulations?	NA but	I would recommend that a date is put on the information on the tender's page on the website. Although no new large tenders, on viewing payments there is no resolution or a minute on the contract for Greenfields. This contract has been running for over 10 years. I recommend that the council review section 11 of Financial Regulations and ensure that all contracts are issued in accordance with the regulations.	No new large contracts in 2020/21 Tenders page on the website.
1.7	Code of conduct reviewed in the last 2/3 years?	Y	SDC version adopted by FPGP March 21 and approved by Full Council in April 2021	The SDC version adopted by FPGP March 21 and approved by Full Council April 2021 20.520

2. Admin

Ref	Test	Meets reqmts? Yes, No or N/A	Internal Auditor's comments/recommendations	Evidence
2.1	Has the General Power of Competence been adopted (e.g. a minute reference)?	N/A		Eligible for GPC from April 2021
2.2	S137 a) is there a separate account for payments? b) are totals within statutory limits?	Y Y		Limit is £8.41X 6971 Total £58626.11 Viewed Scribe document
2.3	Is there an annual council authorisation of Direct Debit list and Standing Orders?	Y		Viewed minute September FC 20. 272 Sept 2020
2.4	Was Petty Cash expenditure approved, if any?	N		Clerk confirmed no petty cash. Viewed payment schedule- none showing
2.5	Is all expenditure supported by VAT invoices, if applicable?	Y		Viewed 2020/21 invoice file online
2.6	VAT – a) recorded in accounts	Y		Clerk confirmed last claim April 2021

	b) reclaimed?	Y		
2.7	Purpose of loan and power identified, if applicable?	Y		Loan used to buy Cam Office. Taken out 2012 Public Works Board Loan of £214,000 Minute 10.140

3. Risk management

Ref	Test	Meets reqmts? Yes, No or N/A	Internal Auditor's comments/recommendations	Evidence
3.1	Insurance policy in place?	Y		July 2020 Viewed the AXA policy online expires July 2021
3.2	Evidence of review of insurance cover to ensure still fit for purpose?	Y		Viewed July 2020 minute FC20/047 Financial Risk reviewed June 2020 minute FC20027
3.3	Copy of Risk Management policy seen?	Y	Health and Safety checks contracted out. I would recommend that minutes are broken down to clearly reflect the resolution and the adoption of policy. Also, the minutes cover several items. Councillors may wish to vote against some and support others. I suggest breaking down the proposals into parts so that votes can take place on each item	**FC/20/33** **<u>To consider Health & Safety Support and agree quote</u>** Chair proposed accepting the quote from Outsource Safety for £1,946 which includes 2 on site support days, the Health and Safety Policy and other benefits, agreed by all.
3.4	Evidence that internal controls take place and are documented including bank	Y	Would recommend that the minute reflects what was resolved. Perhaps break down the agenda item into separate items with separate minute number. Some of the minutes reviewed only shows the reconciliations received not agreed.	Viewed various minutes - taking place monthly

	reconciliations?			
3.5	Does the council carry out an annual review of the effectiveness of their overall internal audit arrangements?	Yes	All reviews taking place so no issue. Would recommend the council just review and confirm that the Internal Auditor is competent and independent of council	Confirmed online with the Clerk
3.6	Asset register seen and reviewed regularly?	Y		Evidence June Minutes FC20 2026
3.7	Evidence that assets a) have been inspected for risk? b) reported in minutes? c) any actions undertaken?	 Y Y Y		June 2020 FC 20.026 Minute reviewed includes an agreed action
3.8	Review of a) investments? b) bank mandates?	 Y Y	.	Evidence of Financial Risk Review Minute FC 20.2026 **FPGP.2020.122 To review FSCS regulations and agree actions** It was noted that the protection for parish bank accounts was only to £170k (85k x 2 bank accounts). This risk was considered acceptable at present but further investigations should be made regarding other investment accounts. Reviewed April 2021 May FC21.022 FGPC 20.134 October . Terms of Reference give the power to the FGPC Committee

3.9	If credit / debit / prepaid cards in use, are proper procedures in place?	Y		Policy within Financial Regs 6.2. Viewed September 2020 payment schedule
3.10	Are a) physical records secure? b) electronic records backed up?	 Y Y		Clerk confirmed Office 365 backed up by the Cloud. HMRC and staff records in locked cupboard

4. Transparency Code

Ref	Test	Meets reqmts? Yes, No or N/A	Internal Auditor's comments/recommendations	Evidence
4.1	Minutes published on website in draft form within one month (mandatory for councils with a turnover of less than £25,000)?	Y	Would recommend that the date is written in full on the Minutes to include the year, eg December minutes.	Checked March 2021 minutes were up on April 21/04/21
4.2	Compliance with Transparency Code for councils with turnover of less than £25,000 and over £200,000?	Y	I would recommend that the Transparency information is signposted to make access to it easier	Tender information page on website (needs a date) Payments only available for June and September on website. However, the payment schedules are available as part of the minutes. Organisational Chart is available under

				access to information. Asset Register on website.

5. Budgetary controls

Ref	Test	Meets reqmts? Yes, No or N/A	Internal Auditor's comments/recommendations	Evidence
5.1	Was a budget properly for the year under review a) prepared? b) adopted? c) minuted?	 Y Y Y		Evidence January 20 192
5.2	Reserves: a) Is there a reserve policy b) Were the objectives of the reserves identified?	 Y Y	Would recommend council consider the earmarked reserves and general reserves and be aware of the amount in each category and this be reflected in the minute in line with the adopted policy. Objectives not confirmed in minute for all amounts just a title of the amounts. I would recommend that the objective is resolved and clear	Viewed Reserve Policy Earmarked Reserves considered January 2020 FC 20467 June 2020 FC 20.026 amounts and some objectives identified
5.3	Was the precept	Y		January 2020 192

	demand for the year under review properly minuted in full council?			
5.4	Did the council regularly compare the actual income and expenditure to the budget (as detailed in the financial regulations) and evidenced in the minutes?	Y		July TC minute 053 August TC 20 272
5.5	Are any significant unexplained variances from budget reported?	Y	Evidence in minutes of discussion on budget headings	July TC minute 053 August TC 20 272

6. Payroll

Ref	Test	Meets reqmts? Yes, No or N/A	Internal Auditor's comments/recommendations	Evidence
6.1	Do all staff have a contract of employment?	Y		Clerk confirmed all staff have contract and no new staff since last audit
6.2	Do salaries paid agree with those approved by Council?	Y		Viewed Lucy Biddleworth Compared salary letter payslip pay scheduel and bank statement
6.3	Has the Council	Y		Makinson Payroll service. Viewed payslip

	registered as an employer with HMRC and have PAYE / NIC been properly dealt with (including year-end procedures)?			
6.4	Are Councillor's allowances and expenses properly authorised & controlled, if any?	Y	Viewed expense policy	None paid
6.5	Pension provision – eligible employees a) offered pension scheme? b) outcome minuted?	 Y N/A		All staff in pension with exception of staff doing 2 hours a week. No new staff so no minute to view in the 2020/21 year
6.6	Has auto-enrolment registration with Pension Regulator been reviewed (if applicable)	N/A		Not applicable in 2020/21

7. Year-end procedures

Ref	Test	Meets reqmts? Yes, No or N/A	Internal Auditor's comments/recommendations	Evidence

7.1	Are debtors and creditors recorded properly on separate balance sheet if using Income & Expenditure reporting?	Y		Viewed the balance sheet included in year-end accounts.
7.2	Does council as a whole consider the year-end accounts?	Y		June Minutes FC20 026
7.3	Minute confirming that council is eligible for Certificate of Exemption (only for councils with a turnover of less than £25,000)	N/A		
7.4	Annual Governance Statement, section 1 of Annual Return, approved by whole council	Y		July TC minutes 043
7.5	Annual Statement of Accounts, section 2 of Annual Return, approved by whole council?	Y		July TC 044
7.6	Are all sections of the Annual Governance & Accountability	Y		Viewed online 26/04/21

	Return published on the website?			
7.7	Did council correctly provide for the exercise of public rights?	Y		July TC 045 viewed notification online 26/042021
7.8	Previous internal audit report reviewed by council and action taken where recommended?	Y		July minute TC042
7.9	Previous external audit report (for councils with turnover over £25,000) reviewed by council and action taken where recommended?	Y		November minute 20424

8. Other matters

Ref	Test	Meets reqmts? Yes, No or N/A	Internal Auditor's comments/recommendations	Evidence
8.1	Policies in place for compliance with GDPR, such as Data Protection Policy for Staff & Councillors and for	Y	Viewed January 2021 minutes and no minute of the proposed review. Recommend that regular reviews take place.	Viewed Data Protection Policy adopted November 2020 Minute FC December 2nd 20.451 to be reviewed again in January 2021

	the public?			
8.2	Is the Council a Managing Trustee?	N		Clerk answered no to this question
8.3	Do trustees meet at least once a year and publish separate accounts?	N/A		
8.4	Website Accessibility Statement on website home page?	Y		Viewed statement online 26/04/2021
8.5	Did council formally appoint GAPTC as the Internal Auditor?	Y		November TC minute FC20421
8.6	Are registers up to date for council-owned burial grounds and purchase of Exclusive Rights of Burials certificate completed?	N/A	No burial ground owned	

9. Procedures

Ref	Test	Meets reqmts?	Internal Auditor's comments	Evidence

		Yes, No or N/A		
9.1	Minutes – DPIs or other interests recorded?	Y		December 2020 Minutes checked January 2021
9.2	Minutes initialled on each page and final page signed?	Y	View via zoom	Viewed minutes online all signed
9.3	List of members' interests held and published on the website?	Y		Viewed register on website 26/04/2021
9.4	Agendas signed and displayed 3 clear days' prior to meeting?	Y		Viewed April 2021 Agenda
9.5	Summons issued in proper format?	Y		Viewed April 2021 Agenda