

## Caistor Town Council

### Annual Governance and Accountability Internal Audit Report 22/23

Item	Check	Notes/Findings
Minutes and Agendas	That they are kept correctly, numbered, initialled and signed by Chairman etc. as well as Committee meetings and that meetings are called lawfully.	<p>Some meetings may not have been called correctly e.g.:</p> <ul style="list-style-type: none"> <li>• Agendas of some Committees meetings not on website</li> <li>• A meeting of the E&amp;PC did not have the required 3 clear days notice</li> <li>• A meeting of the ED&amp;MC agenda was dated the same day as the meeting</li> <li>• The Annual Parish Meeting should be called by the Chairman of the Council</li> <li>• The APM did not have 7 clear days notice</li> </ul> <p>A number of agendas and minutes have not been uploaded onto the website. The Clerk will address this.</p> <p>Minutes are signed off at the next meeting.</p> <p>A “meeting pack” has been developed for Councillors and the public to see on the website.</p> <p>More detail on the agenda/minutes is being done to improve transparency and decision making</p>
Purchase Invoices	Kept and VAT invoices where appropriate and marked with cheque numbers for reference.	All correctly accounted for and reported to Council at each meeting.
VAT	Where applicable correctly recorded and reclaimed for previous year.	<p>VAT is recorded appropriately.</p> <p>VAT of £1689 was reclaimed this year.</p>
Sales Invoices	Produced timely and correctly and supported by appropriate	Sales invoices are recorded appropriately and reported to Council.

	paperwork such as diaries/emails etc.	Cemetery & Allotment fees were reviewed in Nov 22.
Credit Control/Debts	That any sales invoices are credit controlled and payments chased.	Outstanding amounts are reported to Council and policy in place to chase if required.
Receipts and Payments	That payments are made properly by cheque/BACS/DD/SO and properly recorded and that receipts are also made properly and properly recorded and supported by paperwork trail.	<p>A payment schedule is produced for each meeting and signed off.</p> <p>Comprehensive Financial reports are kept by the Clerk.</p> <p>These have the correct detail and are not ambiguous.</p> <p>It might be worth Council considering a banking card for the Clerk to make purchases.</p>
Staffing/Personnel	That staff have appropriate contracts and procedures are in place for personnel management.	<p>There is a Personnel Committee, and staff have a written statement of particulars as required.</p> <p>The Clerk has day to day management of the other staff in post.</p> <p>A review of a “contracted” Handyman has resulted in the decision to employ the individual as a member of CTC staff.</p>
Payroll	That appropriate payroll system is in place and supporting information for pay rates/salary levels etc.	<p>Payment is made in accordance with hours worked.</p> <p>This is authorised as part of the Payment Schedule and includes expenses and HMRC PAYE payments.</p>
Governance	That Standing Orders/Finance Regs/Insurance and all other policy documents are in place and that they are reviewed at least annually.	<p>The Council adopted the new Code of Conduct.</p> <p>New members undertake an induction when starting by the Clerk, who has produced a very useful handbook.</p>

		<p>Terms of Reference have been completed for all Committees.</p> <p>Committee minutes are approved by Council</p> <p>The Council has adopted the General Power of Competence.</p> <p>Councillor Register of Interest Forms were not up to date on the WLDC website, the Clerk is sorting this.</p> <p>The Asset Register needs updating.</p> <p>Insurance was discussed and renewed in Sep 22, a 3 year contract was approved with Zurich.</p>
Cash handling	That all cash handled is subject to audit/security trail and this is adhered to.	No petty cash.
Budgets and Monitoring	That a budget is in place and adhered to, with monitoring.	<p>The budget was agreed in Dec 22, and the precept of £109886 was requested in Dec 22.</p> <p>Monitoring of the budget is done at every meeting.</p> <p>The reserves has a line "Cash Reserves" of £14873.42 but I am unsure what this is, the Clerk will check.</p>
Accounting/Finance	That at least quarterly account reconciliations are in place and presented to Council.	<p>Bank balances are reported at each meeting.</p> <p>Reconciliations and finance reports are presented to the Council at each meeting.</p>
Accountability	That Councillors sign cheque book stubs, initial and sign finance	The Council's risks need reviewing this coming year.

	information presented and are presented with information to allow accountability.	Internal control in place.  Payments are paid online by the Clerk following approval by the Council of the Schedule of Payments.
Audit	That internal audit is carried out with report presented to Council and that external audit paperwork is correctly completed and presented to Council and followed up with any appropriate actions.	Recommendations have been considered and there is evidence of actions taking place.  A number of things have been highlighted during this audit and recommendations can be found at the end of this report
Precept and grants	That precept level is officially set and communicated to local authority and correctly received.	The precept was agreed by Council in Dec 22 and sent to WLDC.
Section 137	That it is separately recorded and cap adhered to.	S137 is not applicable as the General Power of Competence has been adopted.
Other notes		

Recommendations:

- A number of agendas and minutes were not published on the website and the Clerk should rectify as soon as possible.
- There is some evidence to suggest the incorrect calling of meetings, this should be reviewed instantly for compliance moving forward.
- The Asset Register needs bringing up to date as soon as is practicable. Some inconsistencies have been discovered than need exploring. The amount quoted on the AGAR is probably incorrect.

- A few policies have just gone out of date when audited.
- The Council's Risks Register needs reviewing this year.
- Consider a banking card for making purchases.

### General Overview:

Some tightening up on governance should be looked at, as reported above, to ensure compliance.

The comprehensive set of finance reports that are reported to each Council meeting is very good practice.

As is the full suite of policies that are generally up to date and available to all Councillors.

The extra detail being put on agendas and minutes will help decision making and transparency.

*Andy Hopkins*

Internal Auditor

May 2023