Launton Parish Council

Internal Auditor's Report for year ended	31-Mar-21		
Date of Appointment of Internal Auditor	10-Oct-19		
Date(s) of Internal Audit	16-Jan-21	24-Feb-21	02-Mar-21
Hours	10am to 12.30pm	10.30am to 11am	20.30pm to 21pm

1 Working Documents

Ref	Test	Meets Requirement	Internal Auditor Comments	For Council Use
1.1	Have Standing Orders been tailored and formally adopted? AB 7.23 LGA, Sch 12, para 42 and AB 19.9 LGA 1972, s135	Y	Adopted on 7 June 2018 under minute number 8b.	
1.2	Have Standing Orders been reviewed and minuted? Best practice to review as least bi annually or when there is a significant change to the council and its business.	Y	Not reviewed in 2020/21 however due to Covid 19 Pandemic temporary delegation scheme RESOLVED under minute number 8a/2 April 2020.	
1.3	Have Financial Regulations been tailored to the council and formally adopted?	Y	Financial Regulations were reviewed based on the latest issue of NALC Model Financial Regulations in 2019. They were formally adopted on 5 December 2019 under Minute number 8b	
1.4	Have Financial Regulations been reviewed and minuted?	Y	Reviewed and minuted under 10b ii/3 December 2020 - still meet the needs of the council.	
1.5	Does the Council have a grant awarding policy?	y	Due for review in April 20 but deferred under minute number 8c/2 April 2020	

1.6	Have items/services above the recommended amount been competitively purchased in accordance with Financial and Procurement Regulations (Large Councils)	NA		
1.7	Evidence that council maintains an adequate and effective systemof financial control. Including risk management and that it is reviewed by the full council annually.	Y	Reviewed and RESOLVED under minute number 7j/2 April 2020	
1.8	Public land and Building Assets	Y		
1.9	Code of Conduct adopted by resolution of full council?	Y	Adopted on 7 June 2018 under minute number 8b.	

2 Administration

Ref	Test	Meets Requirement		For Council Use
2.1	Does the Council have the General Power of Competence and if so when was it adopted/minute number?	Y	GPC adopted in January 2018 - Minute Number 8a 4Jan18. Due to COVID 19 elections postponed until 2021 so GPC extended to May 2021. Minute number 8d/2 Apr 2020 refers.	
2.2	Is there a separate account for s 137 payments?	NA	NA - GPC though there is a separate budget line for grants and there is a similar sum as with S137 set aside for the grants.	
2.3	Councils authorisation of Direct Debit list and Standing Orders	Y	Reviewed and RESOLVED under minute number 7d/2 April 2020.	
2.4	Was the precept demand properly minuted ?	Y	7 Jan 2021 - Minute 8d page 3	

2.5	Was Petty Cash expenditure approved?	NA	No petty cash however debit card transactions approved correctly.	
2.6	Is all expenditure supported by VAT invoices - if applicable?	Y	July and October invoices seen by scan due to COVID 19 restrictions	
2.7	VAT - recordedand paid/reclaimed properly?	Y		
2.8	Loans	NA	None	

3 Risk Management

Ref	Test	Meets Requirement		For Council Use
3.1	Insurance	Y	Zurich Municipal For Parish Council Insurance - Payment made under minute number 10J/7 May 2020	
3.2	Insurance - evidence of review of cover	Y	Reviewed and RESOLVED under minute number 10h/7 May 2020	
3.3	Copy of Risk Management Policy/statement seen?	Y	Updated/review and RESOLVED on under minute number 9a ii/5 November 2020	
3.4	Asset Register seen and up to date?	Y	Reviewed and RESOLVED under Minute number 7i/2 Apr 2020 and	
3.5	Evidence that assets have been inspected for risk?	Y	Reviewed and adopted 5 November 2020	
3.6	Review of Investment, including bank accounts?	Y		

3.7	Is 'two councillor signatures' rule applied to payments applied to electronic payments made by internet banking?	Y	This was raised in the 2019-20 internal audit and remains in the reviewed document for 2020/21 - *In financial regulations - 6.4 - It is noted that all members of the council are signatories whereas best practice would be for at least one councillor to not be a signatory and be responsible for checking payments and financial procedures for internal control.* It is noted that one designated councillor is responsible for the checking of payments and financial procedures for internal financial control as is best practice - appointed 7 May 2020/Minute 9c	
3.8	If credit/debit/prepaid cards in use - are proper procedures in place?	Y	Transactions minuted at the next meeting after they are made - small amounts and within Financial Regulations	
3.9	Electronic and physical records backed up	Y	Financial Regulations - 6.13	

4 Budgetary Controls

Ref	Test	Meets Requirement		For Council Use
4.1	Was a budget adopted and minuted?	Y	7 Jan 2021 - Minute number 8c page 3	
4.2	Were the objectives of the reserves identified?	Y	Policy reviewed and RESOLVED under minute number 7/2 April 2020	

4.3	Did the council regulalrly compare the actual income and expenditure to the budget? As detailed in the financial regulations.	Y	Budget Monitoring reports for June, Sep and Dec 2020 in the following months agendas and minutes.	
4.4	Are any significant unexplained variances from the budget minuted?	Y	2019/20 budget - Minute number 7g/2 April 2020	

5 Payroll

Ref	Test	Meets Requirement		For Council Use
5.1	Do all staff have a contract of employment?	Y	Confirmed by the Clerk 24 Feb 2021	
5.2	Do salaries paid agree with those approved by council?	Y	Pay agreed under minute number 7e, I and ii/ 2 April 2020	
5.3	Has the council registered as an employed with HMRC and have PAYE/NIC been properly dealt with (including year-end procedures)?	Y	Confirmed by the Clerk 24 Feb 2021	
5.4	Minimum wage paid?	Y	NALC and JPC scales used	
5.5	Are councillor's allowances and expenses properly authorised & controlled (Large Councils)	NA		
5.6	Pension provision - an audit trail.	NA		

6 Year End Procedures

Ref	Test	Meets Requirement		For Council Use
6.1	Bank Reconciliation - (a)Bank statements seen? (b) RFO's reconciliation?	Y	Bank Statements for Jul/Aug/Sep/Oct 2020 seen. Bank Reconilaition for Dec 2020.	

6.2	Where appropriate debtors and creditors properly recorded? (large Councils)	NA		
6.3	Council as a whole to consider the year end accounts	Y	Considered and approved as RESOLVED under minute 10c/7 May 2020	
6.4	Annual Governance Statement, section 1 of Annual Return, approved by whole council and published on website (mandatory for councils with turnover under £25k)	Y	20-19 Annual Governance Statement on website - checked 16 January 2021	
6.5	Annual Statement of Accounts, section 2 of Annual Return, approved by whole council?	Y	Considered and approved as RESOLVED under minute 10c/7 May 2020	
6.6	Previous internal audit - action taken where recommended? Internal audit page published on website (mandatory for councils with turnover under £25k)	Y	Internal Audit for 2019/20 on website - checked 16 January 2021.	
6.7	Previous external audit - action taken where recommended?	NA	3 December 2020 - Minute number 9c - Delayed due to COVID 19	

7 Other Matters

Ref	Test	Meets Requirement		For Council Use
7.1	Registered with ICO?	Y		
7.2	Is the Council a Managing Trustee	N		
7.3	Website Accessibility Statement	Y		

8 Procedures

Ref	Test	Meets Requirement		For Council Use

8.1	Minutes - declarations of interest. AB 7.16/LGA 1972 Sch 12, para 40.	Y	On all agendas and clear explanation of requirements even for councillor entering the meeting late - demonstrates best practice and consistency	
8.2	Minutes - generally /AB 7.37 /LGA 1972, Sch 12, para 41(1) The minutes are in a book kept for the purpose and that the pages are consecutively numbered.	Y	Concentrates on decisions made, clear resolutions and consistent format - demonstrates best practice and consistency.	
8.3	Minutes initialled on each page and final page signed?	Y	Confirmed via Zoom meeting on 24 Feb 2021	
8.4	Compliance and Tranparency Code/guidance?	Y	Expenditure over £100 published annually on website/Website good for navigation and style not cluttered. Website Assessibility Statement due by RESOLVED under minute number 9a/1 October 2020.	
8.5	List of Member Interests held?	Y	Confirmed via Zoom meeting on 24 Feb 2021	
8.6	Were books made upto date?	Y	Confirmed via Zoom meeting on 24 Feb 2021	
8.7	Agendas signed and displayed 3 clear days' prior to meeting (i.e. not including date of issue/date of meeting/weekend/bank holidays)	Y	Confirmed via Zoom meeting on 24 Feb 2021	
8.8	Summons issued in proper format?	Y	Agendas all have a consistent format and correct 'summons' format.	
8.9	Delegated authority?	Y	Additional delegation for the period May 20-21 under minute 8a/2 April 2020 in response to the COVID 19 pandemic.	

9 Sampling

Ref	Test	Meets Requirement		For Council Use
9.1	Is income properly recorded and promptly banked?	Y		
9.2	Audit trail	Y		