

# Hockliffe Parish Council Internal Audit 2015 - 2016

## 1 General

This report covers the period April 2015 to March 2016 and acknowledges that significant improvements have been made in the year.

The internal processes and controls have continued to improve over the year.

## 2 Detailed Comments

### 2.1 Policies and Standing Orders

New Standing Orders and key policies have been written and adopted by the Parish Council including Risk Management Strategy and Financial Regulations Policy

- It is important that specific review timings are set for each policy rather than *"It shall be the duty of the Council to review the Financial Regulations of the Council from time to time, e.g. every three years"* to ensure that all policies are reviewed on a timely frequency.

### 2.2 Risk Assessment

#### 2.2.1 Equipment

Regular checks are being completed on the Parish Council's open spaces, buildings, village seats and bus shelters with any necessary remedial action being undertaken. The checks and any significant work should be minuted at Parish Council meetings to demonstrate that equipment is being monitored and maintained regularly.

### 2.3 Minutes of Parish Council Meetings

The Parish Council meetings were appropriately minuted with Declarations of Interest being made as appropriate.

### 2.4 Grants

S137 grants were made during the year - P Edwards (Christmas event) and Greensand Trust. Whilst they were properly minuted and resolved at Parish Council meetings with the correct paperwork for the re-imbursments, the Greensand grant had no accompanying paperwork.

- *Where grants are made the appropriate S137 paperwork must be completed. This has been highlighted in previous Internal Audits.*

### 2.5 S106 monies

The Parish Council has significant amounts of money on hand and allocated for S106 payments.

- *Whilst details are minuted, and shown within the Budget information it is important that a schedule of monies is kept with details of what is due, against what; when paid and when used etc to ensure that all monies are accounted for and within any fixed time periods, where applicable.*

### 2.6 Budgetary Control

#### 2.6.1 Budgets

The Parish Council does not appear to have approved the 2015 - 2016 Budget and Precept at a full Council meeting.

- *It is essential that the annual Budget and Precept are approved and resolved at a full Council meeting to ensure that proper control and management can be demonstrated.*

### 2.7 Ongoing Financial Control

Regular Finance reports were provided to Parish Council meetings covering expenditure, income and current cash balances.

### 2.8 Asset Management

The Assets list has not been updated to reflect new purchases and any disposals.

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- *It is the responsibility of all Parish Councillors but particularly the SFO to ensure that all Parish Council assets are properly accounted for. This should be a high priority action.*

## **2.9 Projects**

The Parish Council has completed most of the work to improve the facilities at Kilby Road. It is understood that a comprehensive project file has been created.

- *Ensure that any documents relating to the buildings, work guarantees and warranties are stored securely especially as some will need to be retained for in excess of 10 years*
- *Ensure that adequate insurance is in place to cover the buildings and any major assets..*

## **2.10 Payroll**

All payroll and PAYE submissions are up to date.

## **2.11 Accounts and Financial Submission**

The following documents were reviewed in addition to the Accounts spreadsheet file:

- Cheque Books
- Paying in Book
- Bank Statements
- Invoices received
- VAT returns
- Payroll and PAYE payments

The recording of cheque payments on in the account sheet file and in the Minutes was accurate. There were 4 payments other than Anglia Water (only issued twice a year) with no paperwork.

- *All payments should have appropriate paperwork even if it is a photocopy of a bank statement or a file note. S137 grants in particular should be accompanied by a completed form (either by the requestor or by the Parish Clerk).*

VAT can only be claimed on payments made to Parish Councillors to reimburse expenses where Vatable receipts are included or invoices made out to the Parish Council.

A record of cemetery payments needs to be kept - currently there is little information held by the Parish Clerk beyond some emails and bank statements.

- *Create a simple spreadsheet in conjunction with the Cemetery Clerk*

## **2.12 Vat Returns**

VAT returns were completed and submitted during the year.

## **2.13 Invoices Raised**

Invoices are now being raised on a regular basis for Kilby Road and the Parish magazine with any outstanding amounts being regularly chased to ensure monies are collected in a timely manner.

## **2.14 Communications**

The Parish Council makes information available in line with its Communications Policy, and in the past much has been available via the Village website, however it is noted that none of the meeting Minutes have been added since December 2014 and the Policies do not appear to be available despite this being in the Communications Policy. Whilst the website only allows limited content

- *The Minutes, Planning, Agenda and Finances pages need to be updated as a matter of urgency*
- *The Useful Contact page should be reviewed and updated*
- *A statement should be put on the Contacts page of the website regarding where and who from any documents can be obtained from.*

**Mrs Tricia Humber**  
**1<sup>st</sup> September 2016**