

DUNNINGTON PARISH COUNCIL

Review of Internal Audit for 2016-17 Document Adopted at Dunnington Parish Council Meeting held on 12th March 2018

REVIEW OF INTERNAL AUDIT AND SYSTEMS OF INTERNAL CONTROL FROM 2016-17 AUDIT - FEBRUARY 2018

Good governance, accountability and transparency are essential to local councils. The Parish Council is accountable for ensuring that public business is conducted in accordance with the law and applicable proper practices. It must also ensure that public money is safeguarded, properly accounted for and used economically, efficiently and effectively.

The Accounts and Audit (England) Regulations 2015 require the Parish Council to ensure it has a sound system of internal control which

- a) Facilitates the effective exercise of its functions and the achievement of its aims and objectives;
- b) Ensures that the financial and operational management is effective; and
- c) Includes effective arrangements for the management of risk.

To meet these conditions, the Parish Council is required to

- Carry out an annual review of the effectiveness of Internal Audit
- Consider the findings of this review ☐ Carry out an annual review of the systems of internal control
- Consider the findings of this review

The February 2018 review has been undertaken by Julie Bone Clerk/Responsible Financial Officer (RFO).

The following requirements were carried out

A new Internal auditor for 2016-17, Ian Scott was appointed as the previous Internal auditor stepped down after many years. The following steps were undertaken

1. The Parish Council agreed to appoint Ian Scott at the Parish Council meeting where it was established he held the appropriate level of qualifications to undertake this role on 14th November 2016 (Agenda Item 5.1)
2. Ian Scott was appointed as internal auditor for Dunnington PC by letter on 25th November 2016
3. An audit was carried out internally by Cllr A Brooks on a 6 monthly basis of the cheques/invoices/cashbook and the findings were reported to the Finance and Strategy Group. The F&S group reported back to the full Parish Council
4. Budget 2016-17

- Budget for 2016-17 was presented and discussed at the December 2016 Parish Council Meeting
 - Budget for 2016/17 approved – Nominated Cllr A Brooks, seconded Cllr J Maggs
 - Precept to increase by 2% - Nominated Cllr a Brooks, seconded Cllr J Maggs
5. The Annual Governance Statement was approved by the Parish Council on 8th May 2017
 - Parish Council considered the findings of the review carried out, of the effectiveness of the system of Internal Control and preparation of the Annual Governance Statement
 - The Parish Council approved the Annual Governance Statement by resolution - proposed Cllr A Brooks, seconded Cllr J Maggs (Minute reference 4.1.2)
 6. The Accounting Statements
 - The Parish Council considered the Accounting Statements – 8th May 2017
 - The Parish Council Approved the Accounting Statements by - Proposed Cllr R Freer, seconded Cllr J Brooks – 8th May 2017
 - The Accounting statements were signed and dated by the person presiding at the meeting – These were signed by the Chairman S Kay and the Parish Clerk J Bone – 8th May 2017 (Minute reference 4.2.2)
 - Approval of Public Rights Notification – Approved by the PC 8th May 2017
 7. The Annual Governance and Accounting Statements were sent to the External auditor within the specified timelines and posted unaudited to the DPC website.
 8. The Annual Governance and Accounting statements were signed by PKF Littlejohn and returned to Dunnington PC with no recommendations.
 9. The Audited accounts were published to the DPC website within the specified timeline and Notice of conclusion of Audit published alongside

OPEN SPACES RISK REVIEWS

Parish Council Open Spaces reviews applicable

- PFA – Risk Review carried out by PFA
- Scouts and Guides – Risk Review in Progress
- Hassacarr – Risk Review completed
- Playpark – Risk Reviews completed on a regular basis and supplied to Clerk

INTERNAL AUDIT POINTS OF NOTE

- The Internal Audit was carried out by Ian Scott who it was established qualified to carry out this work.

- The Internal Auditor has direct access to the RFO and if necessary to the Chairman.
- The annual audit report was returned by email addressed direct to the Dunnington Parish Council Clerk. The auditor does not have any other role in relation to Dunnington Parish Council.
- The Annual Audit report highlighted that the following actions should be undertaken:
Financial Regulations should be put in place, Financial Risk assessment should be put in place, Standing orders on contracts should be adopted, there should a review of effectiveness of the internal audit, the councils own internal control should be put in place, a Risk assessment should be completed for facilities open to the public, income and expenditure should put in place additional columns on to existing spreadsheet (cashbook) to enable monitoring of income and expenditure against budgets and staff costs should only include the clerks salary tax, NIC and pensions.

SYSTEMS OF INTERNAL CONTROL SUBSEQUENTLY CARRIED OUT

1. The Dunnington PC Financial regulations were reviewed and adopted at the Parish Council meeting 10th July 2017 (Minute Reference 5.1)
2. The Dunnington PC Standing orders were reviewed and adopted at the Parish Council meeting 10th July 2017 (Minute Reference 5.1)
3. The Dunnington PC Risk Register was reviewed and adopted at the Parish Council meeting 10th July 2017 (Minute Reference 5.1)
4. The Dunnington PC Data Protection policy was reviewed and adopted at the Parish Council meeting 10th July 2017 (Minute Reference 5.1)
5. The Dunnington Parish Council do carry out Risk assessments of the Playpark and these are available from the Clerk.
6. Although the Clerk/RFO does complete a Budget to Actual spreadsheet which is updated each quarter the Cashbook will be amended to include further columns in line with the Budget allocations

RECOMMENDATIONS

1. All Systems of Internal Control to be updated at regular intervals
2. The internal auditor asked the PC ensure that all cheque stubs are signed by both signatories at the time of signing the cheques
3. The Cashbook/spreadsheet should include new column descriptions to correspond more with the budget allocations

Chairman signature..... Date.....

Clerk signature..... Date.....