

Internal Audit Report

(to be read in conjunction with the Annual Internal Audit Report in the Annual Governance and Accountability Return)

Name of council:	GROBY PARISH COUNCIL		
Name of Internal Auditor:	Catherine Camp	Date of report:	29 th May 2024
Year ending:	31 March 2024	Date audit carried out:	29 th May 2024

Internal audit is the periodic independent review of a council's internal controls resulting in an assurance report designed to improve the effectiveness and efficiency of the activities and operating procedures under the council's control. Managing the council's internal controls should be a day-to-day function of the council through its staff and management and not left for internal audit. It would be incorrect to view internal audit as the detailed inspection of all records and transactions of a council in order to detect error or fraud. This report is based on the evidence made available to me and consequently the report is limited to those matters set out below.

The proper practices referred to in Accounts and Audit Regulations are set out in JPAG Practitioners Guide. It is a guide to the accounting practices to be followed by local councils and it sets out the appropriate standard of financial reporting to be followed.

The council is required to take appropriate action on all matters raised in reports from internal and external audit and to respond to matters brought to its attention by internal and external audit. Failure to take appropriate action may lead to a qualified audit opinion.

To the Chairman of the Council:

I met with Sue Hackett (Clerk & Responsible Financial Officer) on 29th May 2024 to carry out an Internal Audit for Groby Parish Council. The Internal Audit was carried out remotely by email and "zoom" video-conferencing. I would like to take this opportunity to thank Sue for her cooperation and assistance in delivering the audit.

Following an election in May 2023 I checked that Registers of Interests were posted on the website for all councillors – they are, and that they had all signed Declarations of Acceptance of Office on taking up their posts – they had.

I then checked that last years Audit documents had been posted on the parish website and that both the Internal and External Auditors reports had been noted and actioned. The External Auditors report is still awaited.

I examined the publicly available information displayed on the council's website including council policies, procedures, agendas and minutes, financial records and other records. I examined the councils' arrangements for the management and control of its bookkeeping, risk assessment, budget setting and monitoring, asset register, payroll, due process and compliance with proper practices as set out in the Practitioners Guide.

This Council has clear and concise Minutes and a robust system of financial Internal Control in place. All money received and payments made are recorded as part of the minutes, making it very easy to see how public money is being spent.

A clear budgeting process took place and spend is reviewed against the budget on a regular basis.

At times when the council needs to go into confidential session, this is being done correctly. There is a clear resolution to exclude the public and press (under the provisions of Section 1 of the Public Bodies (Admissions to Meetings) Act 1960, as amended by Sections 100 of the Local Government Act 1972) and the minutes record the reason for entering confidential session and there is a clear record of the decisions taken.

The Council does not hold General Power of Competence as the Clerk is currently working toward her CiLCA qualification. I commend the Council for allowing her to have protected learning time to do this.

Expenditure is governed by legal powers. Where a Council is to rely on the *Free Resource* s137 Local Government Act 1972, a resolution should accompany that Minute at the time the decision to incur the expenditure is made.

("...resolved that the Council in accordance with its powers under sections 137 and 139 of the Local Government Act 1972, should incur the following expenditure which, in the opinion of the Council, is in the interests of the area or its inhabitants and will benefit them in a manner commensurate with the expenditure of")

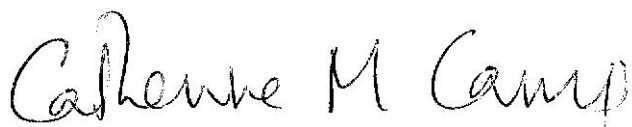
A separate record of s137 expenditure should be kept in the cashbook to ensure it stays within the set limits and is of direct benefit to the electorate.

It is sad to see that such a large amount of public money has been paid to Auditors (£39K) and solicitors on the investigation of historic matters rather than being available for positive improvements going forward.

Following the election in May 2023 it is good to see that this council is becoming a bit more cohesive and starting to work together to actually make a difference for people in the community.

I am pleased that having tested all aspects of the council's internal controls based on the information made available to me I am satisfied that in all significant respects the internal control objectives were achieved throughout the financial year.

Yours sincerely,



Mrs Catherine Camp
Internal Auditor to the Council
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Have comments from the internal audit 2022-2023 been addressed?

Recommendation 2022-2023	Comment
Cllrs need generic email addresses or direct queries via the clerks generic email address to comply with GDPR requirements.	This is being progressed as part of a package to move to a new website which will include generic email addresses for all Councillors.
Consider streamlining the number of committees	This has been done to some extent, and it has become easier to follow Council decision making on the website.

Areas in the 2023-2024 AGAR Annual Internal Audit Report for which Yes or N/A cannot be ticked

	Reason
A	
B	
C	
D	
E	
F	I have ticked "Not Covered" as this parish council does not hold Petty Cash
G	
H	
I	
J	
K	I have ticked "not covered" as his Council is too large to meet exemption criteria
L	
M	
N	
O	This Council is not a trustee for any Trust Funds so N/A

Recommendations for action 2023-2024

Areas for consideration or improvement	Recommendation
Identify and record LGA 1972 s137 spending	Record spend under LGA 1972 s137 in the minutes, ensure it stays within the set level and has direct benefit to the electorate. Keep a separate column in the cashbook for s137 expenditure.

The figures submitted in the Annual Governance and Accountability Return are:

	Year ending 31 March 2023	Year ending 31 March 2024
1. Balances brought forward	81,680	68,125
2. Annual precept	197,942	237,661
3. Total other receipts	44,824	64,693
4. Staff costs	139,256	151,082
5. Loan interest/capital repayments	0	0
6. Total other payments	117,065	156,848
7. Balances carried forward	68,125	62,549
8. Total cash and investments	84,708	83,438
9. Total fixed assets and long-term assets	637,491	638,396
10. Total borrowings	0	0