

Thurcroft Parish Council

Internal Audit Report – Year Ending 31st March 2023

Financial Year Ending:	31 March 2023	Date Audit Carried Out:	12 May 2023; 16 May 2023; 25 May 2023; 29 May 2023; 04 June 2023; 15 June 2023
Prepared by:	Internal Audit Yorkshire	Date Report Issued:	16 June 2023
Report Status:	Draft		
Audit Assurance Assessment Cover:	The programme of cover has been designed to afford <u>reasonable assurance</u> that the Councils financial systems are operating in an effective manner and in compliance with the statutory legal framework. This audit assurance applies to each individual control area that has received a positive internal audit response.		
Audit Assurance Definition:	Reasonable Assurance Definition: There is generally a sound system of governance, risk management and control in place. Some issues non-compliance or scope for improvement were identified which may put at risk the achievement of objectives in the area audited.		

This internal audit report takes into account the internal auditing standards referenced within the Practitioners' Guide to Governance and Accountability for Local Authorities.

Internal audit does not involve the detailed inspection of all records and transactions of an authority in order to detect error or fraud.

Statement of Responsibility

1.1 Internal Audit

The Accounts and Audit Regulations 2015; 5 (1) require a relevant authority to undertake an effective internal audit to evaluate the effectiveness of its risk management, control and governance processes, taking into account public sector internal auditing standards or guidance.' The Governance and Accountability Practitioners Guide is regarded as the 'non-statutory' guidance referred to within the above act. A copy of the guide is available from the National Association of Local Councils website.

1.2 Internal auditing is an independent, objective assurance activity designed to improve an organisation's operations. It helps an organisation accomplish its objectives by bringing a systematic, disciplined approach to evaluate and improve the effectiveness of risk management, control and governance processes. Internal auditing tests the continuing existence and adequacy of the authority's internal controls. It results in an annual assurance report to members designed to improve effectiveness and efficiency of the activities and operating procedures under the authority's control. Managing the authority's internal controls is a day-to-day function of the authority's staff and management, and not the responsibility of internal audit.

1.3 Responsibility

The internal audit work was undertaken in accordance with the agreed scope of assignment and in accordance with the letter of engagement. The council as a corporate body is responsible for ensuring that council business is conducted in accordance with the law, regulations and proper practices and that public money is safeguarded and properly accounted for.

1.4 This report and findings are based on the information that was made available during the course of the audit. The matters raised in this report should not be read as a comprehensive statement of all the weaknesses identified or all improvements to be made. Internal Audit work should not be relied upon to identify all circumstances of fraud and irregularity, should there be any. Internal audit does not involve the detailed inspection of all records and transactions of an authority in order to detect error or fraud.

1.5 Our work during the audit visits has enabled us to reach the judgements on the internal control objectives as set out in the Annual Internal Audit Report which forms part of the Councils Annual Governance and Accountability Return [AGAR].

1.6 The Internal audit report should inform the authority's responses to Assertions 2 and 6 in the Annual Governance Statement that forms part of the Annual Governance and Accountability Return [AGAR]. This internal audit report should therefore be made available to support and inform members considering the authority's approval of the annual governance statement. The AGAR must be submitted to the External Auditor within the statutory deadline of 30 June.

Background

1.1 Thurcroft Parish Council

The parish council is the first tier of local government and comprises of eighteen councillors. The principal authority for the area is Rotherham Metropolitan Borough Council [RMBC]. The council has been supported by a Parish Clerk and Responsible Financial officer for 43 years (from 1979 to 2022) who recently departed the organisation in June 2022, one full-time and one part-time Caretaker. post-holder had been in post for 43 years. It is noted that the Former Parish Clerk and Responsible Financial Officer was allocated a bench with a plaque to recognise his service to the community (minute reference 9132: 30 June 2022). The bench was located opposite the Gordon Bennett Memorial Hall. A permanent Clerk and Responsible Financial Officer commenced their role in September 2023. We are informed that the new Clerk/RFO has attempted to improve the governance and internal control systems which included the adoption of several policies and procedures and change of accountancy package and governance structure that has resulted in the formation of Standing committees of Environment, Human Resources, Events and Facilities. It is noted that some changes had not received council approval for example the allocation of budgets and cost centres to the Standing Committees.

1.2 The Gordon Bennett Memorial Hall is under the ownership and management of the parish council. The venue comprises of a hall, meeting room and bar hire available to the public. Although it is noted that the bar is not in operational as the council is currently seeking tenders. The Parish Council is responsible for the management of the council owned cemetery, an allotments site (managed by the allotments society), Thurcroft Recreation (playing fields and play area), Laughton Common, the memorial garden and maintenance of the village flowerbeds.

1.3 We have been informed that the councils previous internal auditor was in post for over seven years. Copies of the last two financial year internal audit reports were provided to us.

1.4 A zoom meeting was held on Friday 16th June 2023 to go through the draft report with Thomas Collingham the incumbent Clerk/RFO to clarify some areas of the report. Following some minor changes, the report was issued to the Clerk/RFO with a cover letter for the attention of the council.

Scope of Work During the Audit

1.1 We covered the following areas during our audit visit to the council offices on the 12th and 16th May and the remaining areas being covered remotely.

- Accounting Records
- Payment Controls [Standing Orders, Financial Regulations, Expenditure Testing & VAT]
- Risk Management
- Budgetary Controls and Financial Health
- Income Controls including the precept
- Petty Cash (Not applicable)
- Payroll Controls and Members Allowances
- Asset and Investment Registers
- Bank Reconciliations
- Year-End Accounting Statements
- Legislative Publication Requirements
- Publication of the Exercise of Public Rights 2021/22
- Publication Requirements 2021/22 AGAR
- Trust Funds (Not applicable)

1.2 We would like to thank the Parish Clerk and Responsible Financial Officer, Mr Thomas Collingham, for all his help and assistance with the audit.

Internal Audit Overall Assurance Opinion and Executive Summary

See Appendix 1 for Definitions

- 1.1 The Annual Governance and Accountability Return Internal Audit report requires the internal auditor to make a judgement on the effectiveness of the internal controls objectives based on a selective assessment of compliance with the relevant procedures and controls in operation and conclude on whether, in all significant aspects, the control objectives were being achieved throughout the financial year to a standard adequate to meet the needs of the authority. Our programme of work has been designed to afford reasonable assurance that the Councils financial systems are operating in an effective manner and in compliance with the statutory legal framework. This audit assurance applies to each individual control area that has enabled us to answer 'Yes' to the internal control objective. The summary assessment of responses are set out on page 6.
- 1.2 Good governance should enable a council to pursue its vision effectively as well as underpinning that vision with mechanisms for control and management of risk and accountability for public money. The council is responsible for conducting public business in accordance with the law, regulations and proper practices and that public money is safeguarded and properly accounted for. In providing our overall assurance opinion we have applied the most appropriate level of assurance (as set out in appendix 1) and used our professional judgement based on the overall results of the audit, consideration of risk and consequences of areas of weaknesses for the council.
- 1.3 Our opinion is that the councils internal controls were not effective throughout the course of the financial year and there have been fundamental weaknesses in all areas leading to a high risk of misappropriation of funds. We found inadequate tendering and procurement procedures combined with incomplete records which prompted us to request additional information. The additional information identified more issues and highlighted serious failings of internal controls, governance and accountability exposing the council to error, omission, manipulation and risk of fraud and failure to comply with the legal framework that placed the system objectives at serious risk. As a result of our findings, our objective opinion is to provide the council with none assurance for the effectiveness of financial and internal control systems for the financial year ending 31st March 2023. We cannot provide any assurance to the council or the local community that public funds has been safeguarded or properly accounted for due to the significant weaknesses in the internal controls.

Overall Assurance Level	NONE
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Recommendation Priority Level Indicator & Risk Category		
(1) HIGH	(2) MEDIUM	(3) LOW
Fundamental weaknesses that represent a serious risk to the control systems and that require immediate attention.	The weaknesses identified are not of a fundamental nature but are significant as they represent a risk to the control system area assessed.	Suggested improvements to the level of existing controls in place that are not exposed to significant weaknesses.
28	28	18

Internal Control Objectives Year Ending 31st March 2023

Assessment Summary of Responses

Internal Control Objectives [As set out in the AGAR Internal Audit Report]		Internal Audit Response
A	Appropriate accounting records have been kept properly throughout the year.	No
B	This smaller authority met its financial regulations, payments were supported by invoices, all expenditure was approved and VAT was appropriately accounted for.	No
C	This smaller authority assessed the significant risks to achieving its objectives and reviewed the adequacy of arrangements to manage these.	No
D	The precept or rates requirement resulted from an adequate budgetary process; progress against the budget was regularly monitored; and reserves were appropriate.	No
E	Expected income was fully received, based on correct prices, properly recorded and promptly banked; and VAT was appropriately accounted for.	No
F	Petty cash payments were properly supported by receipts, all petty cash expenditure was approved and VAT appropriately accounted for.	Not Applicable
G	Salaries to employees and allowances to members were paid in accordance with this authority's approvals, and PAYE and NI requirements were properly applied.	No
H	Asset and investments registers were complete and accurate and properly maintained.	No
I	Periodic and year-end bank account reconciliations were properly carried out.	No
J	Accounting statements prepared during the year were prepared on the correct accounting basis (receipts and payments or income and expenditure), agreed to the cash book, supported by an adequate audit trail from underlying records and where appropriate debtors and creditors were properly recorded.	No
K	IF the authority certified itself as exempt from a limited assurance review in 2021/22, it met the exemption criteria and correctly declared itself exempt. (If the authority had a limited assurance review of its 2021/22 AGAR tick "not covered")	Not Applicable
L	The authority publishes information on a free to access website/webpage up to date at the time of the internal audit in accordance with the relevant legislation.	No

M	In the year covered by this AGAR, the authority correctly provided for a period for the exercise of public rights as required by the Accounts and Audit Regulations (during 2022/23 AGAR period, were public rights in relation to the 2021/22 AGAR evidenced by a notice on the website and/or authority approved minutes confirming the dates set).	No
N	The authority has complied with the publication requirements for 2021/22 AGAR (see AGAR Page 1 Guidance Notes).	No
O	(For local councils only) Trust funds (including charitable) – The council met its responsibilities as a trustee.	No

AGAR Internal Audit Report – Year Ending 31st March 2023

- (1) The AGAR internal audit report has been signed off. The responses as set out in the above summary (pages 6 and 7) have been carried across to the AGAR internal audit form. The negatives responses are supported by the findings contained in this report. A copy of this audit report should be provided to the external auditors PKF Little Johns with an explanation to describe how the council will address the weaknesses identified and timescales for addressing the recommendations in the action plan. These sheets must be published with the Annual Governance Statement on the councils website.
- (2) The council are required to provide an update to Internal Audit Yorkshire no later than the **31st July 2023** that the above actions have been completed and to provide evidence of these actions.

Internal Audit Findings and Recommendations

Accounting Records

Internal Control Objective A : Appropriate accounting records have been kept properly throughout the year.

Aim: To provide assurance that the books of account have been properly kept throughout the year and that data input controls are accurate.

Internal Audit Testing	Compliance	Comments / Recommendations
<p>Has the council appointed a Responsible Financial Officer (RFO)? <i>*The council need to appoint an officer to be responsible for the financial administration of the authority in accordance with section 151 of the Local Government Act 1972</i></p>	<p>See comments</p>	<p>The role of the Responsible Financial Officer was being carried out by Alan West the councils Parish Clerk who retired in June 2022. Minute reference 9129 of the meeting held on the 30 June 2022 refers to the retired Clerk/RFO and it is noted that the council resolved to authorise Mr West to complete the hand-over process including making payments to Employees, Contractors etc and he was to be contacted only in exceptional circumstances where information is required and not available by other means. Based on this resolution it would appear the role of the RFO continued to be carried out by the retired Clerk/RFO.</p> <p>The minutes of the council meeting held on the 28th July 2022 refer to Councillor David Fretwell acting as the 'Interim Clerk'. This appointment does not appear to have been formally agreed by a resolution of the full council meeting and it does not appear to be an agenda item for consideration at the July meeting.</p> <p>The new Clerk and Responsible Financial officer commenced their role on the 01st September 2022. Following a review of the council minutes it is noted that the appointment of the new Clerk/RFO was not approved by the full council. It is the council as a corporate body who is responsible for appointing the Clerk and RFO in accordance with sections 112 and 151 of the Local Government Act 1972.</p> <p>RECOMMENDATION 1: That the appointment of the new Parish Clerk and RFO be ratified by the full council.</p> <p>RECOMMENDATION 2: That the appointment of a councillor undertaking the Clerk role in future be subject to a risk assessment and formal resolution of the full council or delegated committee in accordance with the Local Government Act 1972, section 112 (5)</p>

<p>Has the Responsible Financial Officer (RFO) determined a form of accounting and supporting records (Regulation 4 of the Accounts and Audit Regulations 2015)?</p> <p><i>*The cash book is the main focus for the day-to-day accounting and balancing off and reconciliation to the bank statement, and remains the most important control over the accounting system.</i></p>	<p>Yes</p>	<p>The accounts were maintained in an excel spreadsheet by the previous Clerk/RFO who retired in June 2022. We requested a copy of the excel spreadsheet from the incumbent Clerk/RFO which could not be located during the audit. The councils accounts have since been transferred to Scribe Accounts and the new software was operational from November 2022 with the incumbent Clerk/RFO carrying out the data inputting from the 01 April 2022. Scribe is a specialised accountancy software built for town and parish councils and it has the functionality to assist with budgeting, year-end reporting and VAT returns. The bookings ledger has recently been purchased as part of the package that will assist with the sales invoices linked to the main ledger account however we are informed that the bookings and sales invoices relating to bookings will not be operational until 01 April 2023. The bookings package will assist with the hall and meeting room hire available from the council owned Memorial Hall.</p>
<p>Do the accounting records contain entries from day to day of all sums of money received and expended by the council and the matters to which its income and expenditure or receipts and payments relate; and a record of the assets and liabilities of the authority. Is the arithmetic correct?</p>	<p>No</p>	<p>A selection of invoices were tested against the cashbook entries and bank statements. We have summarised our findings:</p> <ul style="list-style-type: none"> ➤ The majority of invoices for the first six months of the financial year were found to be in the name of the parish council but registered at the home address of the former Clerk/RFO. It is noted that the councils registered address is at the Gordon Bennet Memorial Hall. ➤ A large amount of invoices coded on the Scribe system related to reimbursements to council officers. The coding on the system referred to Thurcroft Parish Council and not the name of the supplier. This has VAT implications which are referenced in the later part of the report. The Clerk was informed to ensure that where reimbursement invoices are payable to employees, the supplier name should be recorded or the name of the council employee. Supplier invoices should only be entered on the system on the basis that the VAT invoice is billed to the parish council and to the registered council address. ➤ Several entries on the Scribe system had not recorded the correct VAT element to match the VAT invoice detail. ➤ Some entries had a VAT breakdown recorded on the system but there was no VAT recorded on the invoice. ➤ Several direct debit payments could not be tracked back to a VAT invoice <p><u>Coding on the Scribe System</u></p> <ul style="list-style-type: none"> ➤ £356.34 paid on the 29/07/22 was coded to Rotherham Crematorium on Scribe. The bank statement confirmed this payment was made to 'Rotherham MBC' ➤ The code for Grounds Maintenance is a general code and does not allocate expenditure for each individual site and does not accurately represent the expenditure against this code. Approximately £41k was coded against this code. ➤ The description detail for over 90% of the transactions is the same detail as the cost centre. The weaknesses in the description and cost centre coding for the Scribe software represent

		difficulty in tracking the original payment detail on the invoice against the coding on the system and analysing the expenditure for audit purposes.
Do the previous year's annual return figures agree with the current year's opening balances in the cash book?	No	<p>£1,031,819 was recorded in box 7 at the 31st March 2022. This figure had not been rolled over correctly to the 01st April 2022. The figure of £1,021,508 had been rolled over which was the actual bank balance and not the cashbook opening balance.</p> <p>The bank reconciliation at 31st March 2022 recorded a total of £6,332.00 creditors and £16,643.00 debtors. A breakdown of the creditors and debtors was not reviewed during the audit.</p> <p>The Clerk confirmed during the audit that the Scribe system had been set-up on a receipts and payments reporting basis and not income and expenditure which is the current reporting basis due to the turnover.</p> <p>RECOMMENDATION 3: That the correct opening balances are inserted into the Scribe Accounts as this will assist with the year-end reporting.</p>
Internal Audit Response		No

Payment Controls [Standing Orders – Financial Regulations – Expenditure Testing & VAT]

Internal Control Objective B : This smaller authority met its financial regulations, payments were supported by invoices, all expenditure was approved and VAT was appropriately accounted for.

Aim: To provide assurance that Standing Orders, Financial Regulations and Appropriate payment controls (payments supported by invoices, expenditure is approved, VAT is correctly accounted for) are in place and are followed

Internal Audit Testing	Compliance	Comments / Recommendations
Has the Council adopted the Standing Orders and are these in accordance with the latest NALC model?	Yes	<p>The Councils Standing Orders were updated by the new Clerk/RFO based on the NALC Model Standing Orders at the meeting held on the 29 September 2022. It is unclear from the face of the cover if these have been based on the latest NALC Model. We note that the latest model document was obtained from YLCA. We have recommended the Clerk/RFO to insert the model document details on the face of the cover for audit purposes. This will assist the council with future reviews and model document updates released by the National Association of Local Councils. A copy of the councils previous Standing Orders were requested and we found that the copy had been last modified by a council member in 2022 which gives rise to the authenticity of the document.</p> <p>RECOMMENDATION 4: That the cover of the Standing Orders includes detail to confirm which latest NALC model the Standing Orders are based on and that an original signed copy by the Chair of the meeting be retained on file and a scanned copy be published on the website.</p>
Has the Council adopted Financial Regulations and are these up to date with the latest NALC Model? And tailored to the Council?	Yes	<p>These were reviewed and updated by the incumbent Clerk/RFO and adopted by the council at the meeting held on the 29 September 2022. We would recommend that detail is inserted on the face of the cover to confirm which NALC model document the regulations have been based on.</p> <p>RECOMMENDATION 5: That the cover of the Financial Regulations includes details on the face of the cover to confirm which model NALC Financial Regulations they are based on.</p>
Are there procedures for formal tenders and quotes consistent with the Standing Orders and Financial Regulations?	Yes	<p>The value for formal contracts exceeding £25,000 was consistent in both the Financial Regulations and Standing Orders. The threshold for the public contracts exceeding £25,000 has increased to £30,000 to include VAT. The £25,000 threshold was increased to £30,000 from 21 December 2022 (SI 2022/1390). The purchasing authority for contracts less than £25,000 are set out in the councils Financial Regulations. This requires:</p> <ul style="list-style-type: none"> ➤ Less than £25,000 - obtain 3 quotations (priced descriptions of the proposed supply) ➤ Less than £3,000 – obtain 3 estimates

➤ Less than £100,00 – secure best value for money

RECOMMENDATION 6:

That the wording ‘exclusive of VAT’ be inserted to the Financial Regulations and Standing Orders relating to contracts exceeding £25,000 due to the change in contract values by government. In the event that a model standing order or financial regulation relating to this be issued by NALC, it is recommended that the model clause be adopted instead.

Are all payments listed in the cashbook supported by invoices, authorised and minuted in accordance with the Financial Regs? Certification of an account stamp used?

No

The payments are recorded in the minutes and approved by minute resolution. Its is noted that from November 2022, the payments approved by council were not included in the minutes due to new working methods introduced by the Clerk/RFO who has explained that this was due to the purchase of the Scribe software. We are informed that councillors receive the detailed payment list from Scribe however this is not signed by the Chair of the meeting as required by the Financial Regulations.

Financial Regulation 5.2 requires a detailed list of all payments to be disclosed within or as an attachment to the minutes of the meeting at which payment was authorised. Personal payments (including salaries, wages, expenses and any payment made in relation to the termination of a contract of employment) may be summarised to remove public access to any personal information.

From the selection of contracts/invoices tested for expenditure we found that there were inconsistencies in some values and details reported to council for approval in comparison to the actual payments made to the supplier and in some cases with no invoice/audit trail on file (refer to expenditure audit findings). From October 2022, the payment details made under the Clerks delegation and the payments authorised by council did not form part of the meeting minutes and from November 2022 the payments schedule sent out with the agenda was not available on the councils website or payment details disclosed in the minutes.

RECOMMENDATION 7:

That the payments list be included in the minutes of the meeting and/or the separate schedule be signed by the chair in accordance with Financial Regulation 5.2. The signed schedule and approved minutes to be uploaded on the website on the agendas and minutes page. The payment schedule to summarise the detail of the payment and the cost centre/code/budget that relates to.

Financial Regulations

The council has adopted new Financial Regulations from the 29th September 2022 which were brought up to date based on the latest NALC Model. Prior to this we are informed that the council was operating under a different set of Financial Regulations. It is unclear when they were adopted. During the audit the Clerk/RFO did locate a copy of the regulations which was a three page

document and these appeared to have been last amended in 2016 according to the date last modified on the laptop. It is our opinion that the existing Financial Regulations did not include effective internal controls for competitive tendering to secure best value for money in accordance with the Local Government Act 1972.

Authority to Spend – Adopted Financial Regulations

The authority to spend is set out in Financial Regulation 4 and is determined by:

- the council for all items over £5,000;
- a duly delegated committee of the council for items over £500; or
- the Clerk, in conjunction with Chairman of Council or Chairman of the appropriate committee, for any items below £500.

During 2022/23, the council did not operate with committees until November 2022. The council appointed 4 committees [Environment; Human Resources; Events; Facilities] at the meeting held on the 29 September 2022. We reviewed the committee terms of reference and can confirm that the four committees appointed did have a delegated budget and authority to incur expenditure subject to full council approval required in advance. It is noted that the Finance and General committee was not appointed although this did have a delegated budget. Other committee budgets included:

- £18,834.70 – Facilities Committee Expenditure Budget
- £17,000 – Events
- £60,986.62 – Environment
- £86,103.32 – Human Resources

*Budget figures entered on the scribe system by the Clerk/RFO and allocated to committees.

It is further noted that whilst the committees had the authority to spend, the council had not formally approved the budget lines to each of the committees referenced above. However the financial budget summary position at the 31st August 2022 setting out the budget against each committee was formally received by council at the meeting held on the 29th September.

Further audit checks were undertaken to verify the committee delegated authority to spend. We note that the precept request form for 2022/23 has included different budget allocations. These are set out below.

Thurcroft Parish Council Precept 2022/23	
	2022/23
Finance, General Purposes and Policy	74100
Gordon Bennett Memorial Hall	35630
Recreations	5600
Environment	50000

Burials	
Remembrance	600
Laughton Common Improvement	6000
Brampton en le Morthen Improvement	4000
Net Precept	175930

Expenditure Testing Findings Summary

The data from the Scribe system was reviewed against the original invoices, bank statements and council minutes. Our summary of findings are set out below.

- The invoices were stamped with the date paid and signed by a signatory, one of whom which is the RFO. The paid date was not consistent with the actual payment date corresponding to the bank statement.
- The online banking confirmation was appended to the invoice to verify payment details was inconsistent.
- Authority to Spend – details of the minute reference or authorisation were not indicated on the face of the invoice to provide an adequate audit trail.
- Some payments did not have supporting invoice on file.
- Purchase Orders – Guidance was provided to the Clerk/RFO during the audit relating to the use of formal purchase orders for all goods and payments. If a purchase is not appropriate this should be stated on the invoice or if a formal contract is prepared. This would meet the compliance procedure in accordance with Financial Regulation 10.
- Authorisation Stamp – Guidance was provided to the RFO during the audit on the use of a formal authorisation stamp to evidence the checks of the purchase ordering and payment process.

Detailed expenditure testing was carried out for the regular contracts and high value payments referenced in our findings below.

RECOMMENDATION 8:

That an official order or letter be issued for all work, goods and services unless a formal contract is to be prepared or an official order would be inappropriate in accordance with Financial Regulation 10. The purchase order details to be inserted on the face of all invoices to form an adequate audit trail. The approved purchase orders and contracts to be retained on file and a copy of the purchase order or letter to be appended to the invoice for audit purposes.

		<p>RECOMMENDATION 9: That a suitably designed authorisation stamp for payment be used for all invoices as an evidence of checks of the purchasing and payment authorisation to form an adequate audit trail which can be tracked back to the where the order/payment originated. As a minimum the stamp should record the detail to reference the original purchasing authority, certificate of the invoice by the RFO; payment authorisation; payment date/type and authorised by to include details of the signatories.</p>
<p>Has the council complied with the quotations procedures for obtaining quotations and formal tender requirements? Is there a quotations database and list of contracts?</p>	<p>No</p>	<p>The council has regular suppliers in place that do not have a formal contracts for the provision of services and goods. Additionally, we found that there was no purchase orders or formal letters issued to the contractor to place the order for the goods and services. Where some reference details were included on the face of the invoice, this referred to the former Clerk/RFO or an email reference which had not been appended to the invoice.</p> <p>RECOMMENDATION 10: That a contracts timetable be developed by the council to identify all long term and short terms contracts, the start date and end date of the contract, payment frequency, total annual contact value and total contract value over the duration of the contract term (ie number of years). The contracts timetable should identify a contract review date which should be at least three months prior to the expiry of the contract to ensure the procurement procedures can be instigated. The contract timetable to reference the details to the formal contract or letter on file that can be retrieved for audit purposes.</p> <p>The Clerk informed us that the council had several regular suppliers and what their services related to:</p> <ul style="list-style-type: none"> ➤ C & D Ground Maintenance. The services relate to the maintenance of the flower beds in the village (71) grass cutting at the Memorial Gardens at Thurcroft and Brampton and grass cutting at the play area at Thurcroft. ➤ Glendales Countryside – The services relate to the grass cutting at Thurcroft Cemetery, playing fields (Thurcroft recreation), Laughton Common, pitch marking at the playing fields (Thurcroft recreation) and Laughton Common ➤ Rotherham Crematorium – External Grave Digging Contractor <p>Although it is noted that the annual contract values may not have exceeded the £25,000 threshold, it is the total contract value over the period of the contract term that may trigger the procurement thresholds. We are informed by the incumbent Clerk/RFO that some contracts may have been in place for over 10 years. The council should ensure that they are testing the market and securing best value for money in accordance with the local government legislation. The evidence of securing best value for money should be recorded in the council minutes and any quotes/estimates should be retained on file for audit purposes and public scrutiny.</p>

Expenditure Testing Contract Values – C&D Ground Maintenance

- £17,995 – total expenditure recorded on the system and agrees with bank statement. Costs in the region of £11,000 were reported to council for authorisation of payment between May and October 2022. The payment schedules after this period were not disclosed in council agendas or minutes and further audit testing could not be carried out.
- £198.33 – VAT recorded in error relating to the May 2022 payment. It is noted that the company is not VAT registered.
- All invoices submitted by C & D Maintenance did not include the supplier company name and contact information.
- All invoices submitted by C & D Maintenance were addressed to Thurcroft and Brampton Parish Council which does not exist. The parish council name is Thurcroft Parish Council which is the customer for invoicing purposes.
- All invoices appeared to be generalised in detail and were difficult to read. The generalised detail on the invoices submitted to the council and payment by the council in the absence of purchase orders and/or formal contracts and tendering procedures has exposed the council to a high risk of overcharging and false claims.
- Invoice dated 02/05/22 - £1,190 – total amount paid 11/05/23 via bank transfer. Invoicing period relates to 13.03.22 to 02.05.22. Some areas of the invoice are generalised and do not clearly describe the service provided and dates the works were undertaken, for example one line of the invoice states 'cut Brampton recreation ground x2'.
- Invoice dated 01/06/22 - £1,600 – total amount paid 09/06/22 via bank transfer. Invoicing period relates to May. Details on the invoice appear generalised and do not provide a clear description of the goods and services and the dates for the works undertaken.
- Invoice dated 21/06/22 - £1,930 – total amount paid 04/07/22 via bank transfer. Invoicing period relates to June. A breakdown of five different lines of service which appears to be generalised and does not provide a clear description of the goods and services for example, '*proceeded to rip out flower beds removed to greens weeds sprayed*' cost '£400'.
- Invoice dated 20/07/22 - £2,170 – total amount paid on 29/07/22 via bank transfer. There is no invoicing period the charges relate to. There are a total of 6 lines of payment that total to £2,520 however the total amount submitted by the contractor states £2,170 (difference of - £350). The details on the invoice are generalised and do not clearly describe the services for each individual line for example 'planted all beds and tubs and baskets, collect from nurseries, Brampton, Laughton, Thurcroft'. This does not provide the types of plants and third party supplier invoices, the location of the beds, and numbers of tubs and baskets and further details associated with this.
- Invoice dated 24/08/22 - £1,310 – total amount paid 25/08/22 via bank transfer. This does not state which period the charges relate to and which dates each individual works are carried out. The invoicing detail continues to be generalised.
- Invoice dated 22/09/22 - £1,130 – total amount paid 30/09/23 via bank transfer. This does not state which period the charges relate to and which dates each individual works are carried

out. Invoice continues to be generalised and does not provide a clear description of goods and services.

- Invoice dated 28/10/22 - £2,510 – total amount paid 28/10/22. Invoicing detail continues to be generalised. An example relates to a line for £1,000 with the detail that states '*Paid deposit for winter/spring flowers*' – this does not state which types of flowers, how many flowers and any third party supplier invoices.
- Invoice dated 15/11/22 - £2,100 – total amount paid 18/11/22. Invoicing detail continues to be generalised and the invoice does not state which period it relates to. The cost for '*cut Brampton Recreation once*' is £50.00. The charges invoiced for this particular service are inconsistent in comparison with earlier invoices.
- Invoice dated 12/12/22 - £2,450 – total amount paid 20/12/22. Invoicing detail does not refer to the invoicing period. Invoicing detail continues to be generalised.
- £450 – Paid via bank transfer on 06/02/23. No invoice on file. Bank reference refers to Jan23
- £580 – Paid via bank transfer on 24/02/23. No invoice on file. Bank reference refers to Feb23.
- Invoice dated 18/03/23 - £575.00 – total amount paid 31/03/23 via bank transfer. The invoice does not state which period the invoice relates to and the invoice does not provide any breakdown details with the exception of one word 'Groundcare' under the job description.

RECOMMENDATION 11:

That the council agrees the specification for the flowering and grass cutting contract and that this be put out to tender with a minimum of three quotations with an agreed contract term, for example three or five years. The quotations to be recorded in the council minutes and a contract of services, official letter or purchase order be drawn up following the award of the contract and in compliance with the tendering requirements as set out in the Financial Regulations.

Expenditure Testing Contract Values – Glendales Countryside

- £20,299.20 – total expenditure recorded on the system including VAT and agrees with bank transactions. Costs in the region of £15,000 were reported to council for authorisation of payment between May and October 2022. The payment schedules after this period were not disclosed in council agendas or minutes and further audit testing could not be carried out.
- £7,803.60 inc VAT – total costs (£1,625.75 + VAT totalling £1,950.90 quarterly invoices for 'Grounds Maintenance Thurcroft Cemetery'). The purchase order reference on the invoice had been left blank. The invoices did not confirm which quarter this relates to for example, Q1, Q2, Q3, Q4. As the council has received four invoices, it can be concluded this relates to the full financial year. There is no breakdown of the maintenance works and the job detail that can be tracked back to an original purchase order or letter issued by the council and/or formal contract.
- £6,777.60 inc VAT - total costs towards quarterly maintenance. The details on the invoice vary and are not representative of quarterly maintenance. Additionally the invoice does not

provide a clear description of the maintenance and there is no purchase order reference on the invoice or formal purchase order or contract in place.

1) Invoice dated 11/04/22 – Total amount of £1,694.40 (inc VAT). Invoice detail ‘*Quarterly invoice for Ground Maintenance and Laughton & Thurcroft Football Pitches*’

2) Invoice dated 25/07/22 – Total amount of £1,694.40 (inc VAT). Invoice detail ‘*Quarterly invoice for grounds maintenance and Laughton & Thurcroft Football Pitches*’

3) Invoice dated 21/10/22 – Total amount of £1,694.40 (inc VAT). Invoice detail ‘*Quarterly Grounds Maintenance and Laughton & Thurcroft Football Pitches October*’

4) Invoice dated 09/01/23 – Total amount of £1,694.40 (inc VAT). Invoice detail ‘*Quarterly invoice for Grounds Maintenance and Laughton and Thurcroft Football Pitches. Quarterly up to Jan 2023*’

- Invoice dated 22/08/23 – Total amount of £780.00 inc VAT – payment towards ‘*Ground Maintenance Laughton x2 pitches Goal uprights/crossbars*’
- Invoice dated 28/09/22 – Total amount of £2,562 inc VAT – payment towards ‘*Pitch/Grounds Care. Works Since July through to Sept 2022. Soil and Seed goal mouths x4. Topsoil unsafe area/reinstate mole runs at Laughton. Measure and Mark 5 pitches. X1 white (Sept). Overmarked pitches 5 occasions x5*’
- Invoice dated 27/02/23 – Total amount £180.00 inc VAT. Invoice detail ‘*Thurcroft pitches - extra marked pitches at Thurcroft in Feb 2023*’
- Two payments totalling £1,176 inc VAT – paid in July and October however no invoice was found on file.
- £180.00 payment for invoice GC451-684 was paid twice on the 31st March 2023.
- A total of £840.00 inc VAT was paid towards tree works. One payment of £276.00 was found to be authorised correctly with the Clerk using their emergency delegated powers.

RECOMMENDATION 12:

That the council recovers the duplicated amount of £180.00 paid twice on the 31st March 2023 relating to invoice number GC451-684.

RECOMMENDATION 13:

That the council agrees the specification for the Grounds maintenance at the playing fields and Thurcroft Cemetery and pitch marking fees. The council should aim to obtain a minimum of three quotations and that this be put out to tender with an agreed contract term, for example three or five years. The quotations to be recorded in the council minutes and a contract for services be drawn up, official letter or purchase order following the award of the

contract and in compliance with the tendering requirements as set out in the Financial Regulations.

RECOMMENDATION 14:

That the council investigates the payments made to Glendale Countryside relating to the payment of £660.00 paid on the 29 July 2022 and the payment of £840.00 paid on the 28 October 2022 which cannot be substantiated due to no invoice on file.

Expenditure Testing Contract Values – Rotherham Crematorium

Internment fees relate to digging the grave at the time of the funeral. This service can be provided by the funeral directors to arrange their own grave digging subject to compliance with the councils health and safety regulations. The cost of the internment fee by the funeral director is typically recharged directly back to the client. Other arrangements can include councils engaging their own contractor for grave digging and recovering full costs as part of the internment/burial fees paid via the funeral director or the client. The Clerk has informed us that the arrangement at Thurcroft Parish Council involves the client paying the funeral director the internment fee and the funeral director then instructs Rotherham Crematorium to undertake the work and submit an invoice to the parish council. Following preliminary enquires, Rotherham Crematorium confirmed that they did not offer an interment service directly to the public and that this was dealt by the funeral directors who dealt with the parish council.

The invoices for Rotherham Crematorium relating to internment fees were reviewed against the bank statements and the burial register. Our findings are summarised:

- £16,825.34 – total expenditure recorded on the system. This did not agree with the bank statement. There was a discrepancy of £356.34 which was paid to Rotherham MBC and not to Rotherham Crematorium. This appeared to be a coding error as the invoice for £356.34 received from Rotherham MBC was on file. The total payment to Rotherham Crematorium was £16,469.00.
- £13,265 total value of payments matched the invoices. This included a £96.00 additional payment that was itemised on a statement summary but not on the actual invoice itself. The interment fees were typically charged at £823.00 for the 22/23 financial year. However one invoice was charged at £967.00 and the other invoice was charged at £919.00. Both payments had been made on a summary customer statement. It is noted that the charges for interment fees from March 2023 which were charged at £784 increased to £823.00 from 01 April 2022.
- £3,204.00 of payments could not be matched against an invoice. Although it is noted that one invoice totalling £784.00 relating to August 2021 was invoiced to the council on the 24 March 2022. It is unclear if this was an amount allocated during 2022/23 or if this payment had been made in the 2021/22 financial year.

- Seven entries of payments totalling £3,438 could not be reconciled with the burial register as the entries had not been recorded and reference numbers on the invoices could not be matched. Five entries in the burial register related to 'cremated remains' of which one entry had been charged by Rotherham Crematorium.
- The weaknesses in the internal control systems has exposed the council to a loss of public funds, duplicate payments, over-charging and potentially false claims due to the inadequacies in the management of the services, procurement and record keeping that does not reconcile with the services invoiced to the council.

**The income internal controls relating to the cemetery management are referenced later in our report.*

RECOMMENDATION 15:

That a comprehensive audit of the cemetery management relating to income, expenditure and cemetery records be undertaken covering a minimum period of the last four financial years to provide assurance to the public that public money relating to cemetery management has been administrated correctly as per burial charges and all records and payments/receipts can be reconciled with an audit trail and against the bank statements. The audit should be carried out by an independent external person to ensure that conflicts of interests are managed appropriately.

RECOMMENDATION 16:

That the council reviews the administration and fees for internments and introduces robust internal controls for processing requests and procedures which are formally adopted by the parish council and shared with funeral directors and on the council website. In the event that the grave digger is instructed by the Funeral Director, the grave digging fees should be invoiced to the funeral director and in the event that the client submits an interment request to the council an appropriate purchase order or official letter should be raised with the grave digging contractor instructing them to undertake the work once the customer has paid the council the internment fee. The council may consider other arrangements which require all internments to be processed directly by the council and the council would then instruct the grave digging contractor following receipt of the internment fees from the customer and or funeral director.

RECOMMENDATION 17:

That the council carries out a procurement exercise for the grave digging contract based on a fixed price per excavation (interment of bodies and cremated remains) to operate for a period of time (for example 2 or 3 years). The successful contractor to be issued with a formal contract of services on acceptance of the quotation. The contract should include the specification, pricing and legal and health and safety requirements for burials.

Other High Value Contracts

Following a review of the payments, it was noted there were other high value contracts paid during the year (see details below). The payment values corresponded to the invoices and bank statements.

- £66,245.09 + VAT – paid to Sutcliffe Play Ltd (playground equipment/repairs)
- £32,891.68 + VAT – paid to Lightmain Ltd (playground equipment/repairs)
- £9,500 – paid to Direct Roofing (Christmas lights installation, repairs)

Detailed expenditure testing was carried out. Our Findings are summarised below.

Sutcliffe Play Ltd

- Contract Values exceeding £25,000 are required to be advertised in accordance with the Public Contracts Regulations 2015. Minute reference 9188 of the full council minutes refers to quotations that were obtained directly from suppliers that had been invited to submit a quote for new recreation equipment at Hangsman Lane, Laughton Common. A review of the Contracts Finder website confirmed that this tender may not have been advertised on the Contracts Finder Website as per 2015 Regulations.
- £63,445.77 – was awarded to Sutcliffe Play Ltd (minute reference 9188). There was no purchase order issued to the contractor. There is reference to email inserted in the place for the purchase order details on the invoice received from the supplier.
- £66,245.09 plus VAT – was paid to Sutcliffe Play Ltd which included an additional payment of £2,799.33 plus VAT. On inspection of the invoice for the additional payment, the detail recorded referred to 'additional pathway Hangmans Play Area'. The purchase order reference referred to 'Email 06.01.23'. On inspection of the council minutes, there does not appear to be a minute resolution authorising the purchase for the contracted works relating to the additional pathway.
- There were two invoices submitted by the supplier relating to the contract award. The delivery address one invoice referred to 'Hangmans Lane Play Area' and the delivery address for invoice 2 referred to 'TAG Farm Machinery' siting an 'NG22' postcode.

Lightmain Ltd

- £32,891.68 plus VAT – was paid to Lightmain Ltd. A payment of £2,585.21 was made twice which was then refunded by the supplier.
- A total of 11 invoices were submitted. The purchase order details referenced on the invoices referred to 'Email 09/03/22'; 'Email 08/04/22'; 'Email 23/05/22'; 'Email 23/06/22'; 'Email 04+05/07/22'; 'Email 02/08/22'; 'Email 07/09/22'.
- The invoicing details referred to several councillors and the Former Clerk (Alan West; Cllrs Andy & Donna; Andy Copeland; David Fretwell)
- It is noted from the council meeting minutes held on the 01st March 2022, minute reference 9089 that Councillor Copeland and the Chair reported on meetings and inspections on each of the councils three recreation grounds with Tim Archer of Rotherham MBC and Phil

Borrington of Lightmain to identify necessitous works. It is further noted that from the council meeting minute dated 10 May 2022 minute reference 9118 '*Reference was made to the completion of necessitous work at Hangsman Lane Recreation Ground and proposed work at Green Arbour Road recreation ground involving the youth shelter, skatepark equipment resurfacing, resanding and surfacing and repair of the roundabout. Quotes having been received from Lightmain for these individual elements. Resolved: That the necessitous work be approved and undertaken by Lightmain*'. Minute Reference 9122 refers to the work to be approved and undertaken by Lightmain for nineteen benches.

- 4 benches, 2 seats , 2 bar seats and 9 benches formed part of the costs billed to the council totalling in the region of £14,000. The remaining works totalling to the value £32,891.68 + VAT cannot be deemed to be 'necessitates works' that warrants exemptions from securing the best value for money by testing the market and obtaining quotations from other suppliers.
- The council has failed to follow procurement procedures and tendering, there is lack of purchase orders, details of quotes in council minutes and inadequate audit trail. The direct involvement of councillors involved in the procurement with a supplier is not appropriate as this can impact their objectivity and impartiality. Due to the council failing to secure alternative quotes it cannot be demonstrated that best value for money has been secured in compliance with local government legislation and the council may have acted unlawfully by failing to follow the requirements of the Public Contracts Regulations 2015.

RECOMMENDATION 18:

That the council follows the requirements of the Public Contracts Regulations 2015 when considering and awarding contracts exceeding £25,000 (net).

RECOMMENDATION 19:

That unless resolved by a minute resolution and subject to a risk assessment, councillors should not be directly involved with the procurement of goods and services.

Direct Roofing – Contracted for Christmas Lights

- The contractor specialises in roofing repairs and has been undertaking work in relation to erecting Christmas lights for the local businesses which appears to be significantly out of their area of expertise due to this being a roofing contractor company. The continued use of this contractor could put the council at risk of a claim in the absence of obtaining the required health and safety documentation and competency of the contractor.
- The contractor invoiced the council for £8,900 for Thurcroft Xmas Lights Works (minute reference 9080 – February 2022)
- £9,500 was invoiced to the council on the 23 November 2022. There is no authorisation in the council minutes instructing that the works continue relating to the Christmas Lights or the acknowledgment and/or authorisation for the increase in costs. There is no purchase order

reference on the invoice or breakdown of the Christmas Lights erected and installed and the details of the repairs carried out.

- In the absence of procurement procedures and tendering, lack of purchase orders and details on the invoices and authorisation recorded in council minutes has put the council at a high risk of overcharging and false claims.

RECOMMENDATION 20:

That the council agrees the specification and requirements of the Christmas Lights contract and that a tender exercise be carried out in accordance with the Financial Regulations and that approval be sought from the principal authority relating to the competency of the contractor which should form part of the specification/criteria. The quotations to be recorded in the council minutes and a contract for services be drawn up, official letter or purchase order following the award of the contract and in compliance with the tendering requirements as set out in the Financial Regulations.

Councillors Travel Expenses

Regulation 26 of the Local Authorities (Members' Allowances) (England) Regulations 2003 (SI.2003/1021) authorises a council to pay its members allowances in respect of travelling and subsistence ("parish travelling and subsistence allowance"), including an allowance in respect of travel by bicycle or by any other non-motorised form of transport, undertaken or incurred in connection with the performance of any duty within one or more of the following categories—

- (a) the attendance at a meeting of the authority or of any committee or sub-committee of the authority, or of any other body to which the authority makes appointments or nominations, or of any committee or sub-committee of such a body;
- (b) the attendance at a meeting of any association of authorities of which the authority is a member;
- (c) the performance of any duty in pursuance of any standing order made under section 135 of the Local Government Act 1972 requiring a member or members to be present while tender documents are opened;
- (d) the performance of any duty in connection with the discharge of any function of the authority conferred by or under any enactment and empowering or requiring the authority to inspect or authorise the inspection of premises; and
- (e) the carrying out of any other duty approved by the authority, or any duty of a class so approved, for the purpose of, or in connection with, the discharge of the functions of the authority or of any of its committees or sub-committees.

Findings (Travel Expenses – Cllr Andy Copeland)

- A total of £254.25 was claimed during the year for travel expenses within the Parish. These duties do not appear to have been approved duties by the council in accordance with the requirements of Regulation 26 of the Local Authorities (Members' Allowances) (England)

Regulations 2003 (SI.2003/1021) as there is no record in the council meeting minutes recorded between the dates of 01st April 2022 and 31st March 2023 to confirm the approval.

➤ There is no reference to site visit findings arising from the visit reported to council or recorded in the council minutes. There does not appear to be inspection sheets completed that were available during the audit to substantiate the inspection. There does not appear to be an attached report of the inspections attached to the emails submitted for the claims. Additionally, we found that the email claim itself did not reference a start mileage and end mileage, dates and times of the individual site visits.

- Invoice 1 – Claim of £67.50 (paid on the 11/05/22) – refers to a period of 22/11/21 to 22/04/22 – 150 miles at 45p per mile. It is noted that this was authorised by the council (minute reference 9125)
- Invoice 2 – Claim of £70.65 (paid on the 04/07/22) – refers to a period of 22/04/22 to 09/06/22 – 157 miles at 45p per mile. This does not appear to have been authorised by council and does not form part of the payments schedule approved at the meetings held on the 30th June 2022 and 28th July 2022.
- Invoice 1 – Claim of £47.60 (paid on the 04/07/22) – relating to General Expenses and keys cuts for the Gordon Bennett Memorial Hall. This payment was authorised retrospectively at the meeting held on the 29th September 2022 (minute reference 9196).
- Invoice 3 – Claim of £116.10 (paid on 12/08/22) – refers to a period of 10/06/22 to 12/08/22 – 258 miles at 45p per mile. It is noted that this payment was authorised retrospectively by full council at the meeting held on the 29th September 2022 (minute reference 9196).

➤ Due to the weaknesses in these internal control systems the council has been exposed to risks of overcharging and false reporting.

RECOMMENDATION 21:

That the payment of £70.65 paid to Cllr Andrew Copeland be considered to be retrospectively approved by council or monies recovered.

RECOMMENDATION 22:

That the existing travel and subsistence policy for councillors be reviewed to incorporate the legal requirements of Regulation 26 of the Local Authorities (Members' Allowances) (England) Regulations 2003 (SI.2003/1021). The policy should include an appendix for a claim form that includes details to be recorded for date of the journey; journey details; start and finish mileage; total miles travelled; allowance per mile and total claim.

		<p>RECOMMENDATION 23: That formal inspections of council sites/premises carried out by councillors be formally approved by minute resolution. That appropriate inspection sheets be developed and adopted to record the findings arising from formal inspections at council premises/sites carried out by council officers and members and that the inspection records be reported to the appropriate council or committee meetings. The inspections records be signed by the inspecting member or officer and that the copies be retained on file and referenced within the claim form submitted for payment.</p>
<p>Is there a segregation of duties between writing cheques and/or setting up online payments and physical release of payments? Do the instructions for the payment of invoices comply with the Financial Regulations?</p>	No	<p>The Council are operating with three bank accounts.</p> <ol style="list-style-type: none"> 1) Community Directplus Account – Recorded as the ‘Revenue’ account on Scribe 2) Corporate Instant Deposit Account – Recorded as the ‘Savings’ account on Scribe 3) Thurcroft Parish Council Clerks Imprest – Recorded as the ‘Clerks Imprest’ account on account <p>All payments are made online. The incumbent Clerk/RFO informed us that the signatories comprise of Cllrs Donna Andrews, Diane Oxley, Ann Winsborough, Diane Brown and the Clerk/RFO. Cheques have historically required two signatories. It is noted that there is no procedure in the Financial Regulations for the making of online payments. The Clerk/RFO is the current signatory for online banking and has the authorisation to set-up a payment and make the payment to the supplier. Guidance was provided to the RFO during the audit surrounding the weaknesses around the online banking and to ensure that there is a procedure involving more than one person to ensure segregation of duties. It is noted that during the financial year there has been a continuous pattern of weaknesses in making of duplicate and erroneous payments to suppliers and employees.</p> <p>RECOMMENDATION 24: That the banking procedures be reviewed and that dual or triple authorisation be considered for the making of payments with appropriate payment limits and that the procedure be incorporated within the councils Financial Regulations. Councillors who are signatories but do have the authority to make online payments should have view only access for audit and transparency purposes and to improve the existing internal controls. All signatories to be provided with a copy of the invoices to reduce the risk of duplicate and erroneous payments and with a clear audit trail to confirm the authorisation of the ordering and instruction for payment.</p>
<p>Does the council have any direct debits or Standing Orders in place? Have these been reviewed in accordance with the Financial Regulations?</p>	No	<p>The Clerk/RFO informed us that there are eight direct debits in place. These were not formally reviewed by council during the 2022/23 financial year. The Clerk/RFO has confirmed that a list has been created and reviewed by full council in accordance the Financial Regulations. We are unable to verify this as it falls outside the financial year being audited.</p>

<p>Is S137 separately recorded and within limits? Is S137 expenditure of direct benefit to electorate? Is S137 expenditure minuted?</p>	<p>Yes</p>	<p>The Scribe System records the S137 payments. This list was provided by the Clerk. The expenditure was within the limits for S137. The procedures and expenditure relating to grant payments were reviewed during the audit. We have summarised our findings:</p> <ul style="list-style-type: none"> ➤ A total of four grants totalling £1,300 were paid out during the financial year. ➤ Two of these grants were large payments of £500 payable to Thurcroft Miners Welfare and £600 for Thurcroft Veterans. ➤ The grant payment of £600 was paid to Thurcroft Veterans on the 15th June 2022. The grant was not authorised by the council as there was no minute resolution recorded in the minutes. It is noted that the payment was retrospectively approved by full council at the meeting held on the 29th September 2022 (minute reference 9196). The request for payment was submitted by Cllr Andy Copeland addressed to the former Clerk. There is no date on the document requesting payment or details relating to the purpose of the grant. ➤ The grant payment of £500 was paid to Thurcroft Miners on the 06 February 2023 following council approval on the 26th January 2023 (minute reference 9276). On inspection of the invoice, we found that an adequate grant form was submitted by the group however we found that the authorisation recorded on the form referred to a date of 06/02/23 in the field which stated 'Grant considered by Council' which did not match the approval date. This was signed by the Chair of the Council. <p>RECOMMENDATION 25: That the council develops a Grant Policy and Procedure with an appendix grant application form (model grant application form can be obtained from the Yorkshire Local County Association). The grant form to include terms and conditions of the grant payments, request for copies of financial accounts to be included as part of the grant application. The applicants to submit receipts within 6 months of incurring the grant funding and to return any unused funds to the council. The forms to be formally adopted by council and to replace the existing internal grant forms.</p> <p>RECOMMENDATION 26: That the Responsible Financial Officer requests receipts relating to the grant payments to Thurcroft Veterans and Thurcroft Miners and that any unused funds be returned to the parish council.</p> <p>RECOMMENDATION 27: That the Responsible Financial Officer requests receipts relating to grants awarded to Thurcroft Hub and Sewing Group.</p>
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Is VAT correctly recorded in the cashbook and linked to invoices?	No	<p>During our review of the invoices we found that the VAT had not been correctly recorded on the system. The supplier details for employee reimbursements were recorded as the parish council and some invoices had been recorded against the former Clerks/RFO home address. The council should ensure that VAT claimed complies with the guidance contained within the VAT 749 notice which relates to business and non-business activities and that a VAT invoice addressed to the council is on file for all goods and services purchased by the council.</p> <p>RECOMMENDATION 28: That the council reconstructs its electronic records to ensure that VAT is recorded in the correct column and that there are VAT invoices to correspond to each individual payment where VAT is being reclaimed. The supplier/customer details to be corrected on the Scribe system.</p>
VAT evidence, recording and reclaim?	See comments	<p>£7,992.20 – was received on the 20th April 2023. It is unclear which VAT period this relates to. £6,260.67 – was received on the 12th July 2023. It is unclear which VAT period this relates to.</p> <p>RECOMMENDATION 29: That the Clerk/RFO reviews the VAT period reclaimed to date for the two transactions received on the 20th April 2023 and 12th July 2023 to ensure this is the latest VAT reclaim submitted by the council.</p> <p>RECOMMENDATION 30: That the VAT reclaim for 2022/23 financial year be submitted to HMRC following the review of the HMRC VAT invoices.</p>
Internal Audit Response		No

Risk Management

Internal Control Objective C: This smaller authority assessed the significant risks to achieving its objectives and reviewed the adequacy of arrangements to manage these.

Aim: To obtain assurance that risk management arrangements are adequate to manage all identified risks.

Internal Audit Testing	Compliance	Comments / Recommendations
<p>Annual risk assessment carried out? Does this include all financial and non-financial risks?</p>	<p>No</p>	<p>Risk management is the process whereby authorities methodically address the risks associated with what they do and the services which they provide. Risk management is an ongoing activity that comprises four elements: identifying risks; assessing risks; addressing risks; and reviewing and reporting. This is demonstrated by key documents the council should have in place which include a Risk Assessment and a system of internal controls. This should be reviewed and adopted by the authority at least on an annual basis or when the risks change.</p> <p>The council generally, and members individually are responsible for risk management. The council should at least once on an annual basis review all financial and non-financial related risks it is exposed to and introduce appropriate controls to reduce or mitigate the risk. Typical categories of risks include:</p> <ul style="list-style-type: none"> ● financial – loss of money; ● security – fraud, theft, embezzlement; ● property – damage to property; ● legal – breaking the law or being sued; ● IT – failure of IT systems or misuse or data loss; and ● reputational – actions taken could harm the authority’s public reputation. <p>Further guidance on risk management is available on from page 43 of the Governance and Accountability Practitioners Guide, see link: file (nalc.gov.uk)</p> <p>The Clerk/RFO presented a risk register that stated it was last reviewed in March 22. The Clerk/RFO informed us that the financial risk assessment for the 2023/24 financial year had been updated. Due to this been actioned in the 2023/24 financial year which is outside the year of our audit, no testing could be carried out to review the risk register and controls agreed by the council. We would recommend that this risk assessment includes a risk rating matrix and includes non-financial related risks.</p>

Priority of risk management				
Likelihood of occurrence	Highly Likely (score 3)	Medium (3 x 1)	High (3 x 2)	Very High (3 x 3)
	Possible (score 2)	Low (2 x 1)	Medium (2 x 2)	High (2 x 3)
	Unlikely (score 1)	Very low (1 x 1)	Low (1 x 2)	Medium (1 x 3)
		Negligible (score 1)	Moderate (score 2)	Severe (score 3)
Impact				

Due to the councils non-compliance with risk management, the annual governance statement box 5 which states ' We carried out an assessment of the risks facing this authority and took appropriate steps to manage those risks, including the introduction of internal controls and/or external insurance cover where required' must be ticked 'No' and an explanation provided to the external auditor which describes how the council will address the weaknesses identified.

Additionally, we are informed that the incumbent Clerk/RFO is a local Borough Council for Rotherham representing the Thurcroft Parish. Although the Clerk/RFO has informed us that he no longer provides reports to the full council meeting in his capacity as a Borough Councillor, there are interests associated with this that should be fully considered and form part of the corporate risk register.

RECOMMENDATION 31:

That the risks associated with role held by the Clerk/RFO and his role as a Borough Councillor representing the Thurcroft Parish be formally documented as part of the councils corporate risk register.

RECOMMENDATION 32:

That the council formally reviews and adopts a risk register which includes a risk rating matrix and all risks the council is exposed to (financial and non-financial). Further guidance is available from page 43 of the Governance and Accountability Practitioners Guide, see link: [file \(nalc.gov.uk\)](http://file.nalc.gov.uk)

RECOMMENDATION 33:

That a risk management policy be developed and adopted by the council that sets out the councils responsibilities in regards to risk management and procedures for updating and formally approving the corporate risk register.

Councillors Declarations of Interests & Code of Conduct

It was brought to our attention that councillors may not be declaring pecuniary and other interests in council contracts that has given rise to a conflict of interests in council contracts. We reviewed the code of conduct and noted that it was not based on the recommended code of conduct issued by the Local Government Association which includes developed principles to manage the role of councillor and an undertaking that includes acting lawfully, with integrity and impartially and in the communities interests, not seeking improper advantage and ensuring public resources are used prudently.

RECOMMENDATION 34:

That the council considers adopting the Model Code of Conduct issued by the Local Government Association and recommended by NALC [National Association of Local Councils].

Employee Code of Conduct & Register of Interests

It is noted that there is no agenda item for officers to declare interests in accordance with section 117 of the Local Government Act 1972. We note that there is no formal code of conduct for employees with a declarations of interest form or a procedure for the declaration of interests.

RECOMMENDATION 35:

That an Employee Code of Conduct be introduced and adopted. The code should include provision for officers to declare pecuniary interests in council contracts and procedures to manage the pecuniary interests having regards to the legal requirements of the Local Government Act 1972 s117. The declaration for employee interests should be added as a standing agenda item for all council meetings.

Anti-Fraud, Corruption and Whistle Blowing

The council does not have any controls in place for anti-fraud and corruption and whistle blowing. Having these policies in place will assist the council to manage internal reporting of suspected fraud and corruption and whistleblowing.

RECOMMENDATION 36:

That an Anti-Fraud and Corruption Policy be developed and adopted by the council.

RECOMMENDATION 37:

That a Whistle Blowing Policy be developed and adopted by the council.

<p>Have the assets been inspected for risk and H&S purposes and do inspection records exist? Is there appropriate monitoring in place? (Play areas, sports pitches, open spaces etc)</p>	<p>No</p>	<p>The council does not have any risk assessments in place for activity based risks and site specific risk assessment's for example the cemetery, Gordon Bennet Memorial Hall, Playing Fields and Play Areas.</p> <p>It is understood that visual checks on play equipment are carried out by councillors. There are no inspection records in place to report the outcome/findings and since November the Clerk/RFO has informed us that the visual checks have not been taking place. Play equipment should be checked to ensure that are no obvious problems and a written log should be maintained for any damage or faults that require urgent attention. The Clerk/RFO informed us that the council has in place risk assessment's for council events. We have previously recommended in the earlier part of our report that inspection sheets be developed and adopted by the council.</p>
<p>Evidence of annual insurance review?</p>	<p>No</p>	<p>The councils insurance is with Zurich and commenced on the 01st April 2022. The council held meetings in March and May 2022 and although the council approved the insurance premium at the May 2022 meeting, the insurance policy was not formally agreed. The renewal premium was £2,923.54.</p> <p>RECOMMENDATION 38: That the councils carries out a procurement exercise prior to the renewal of the annual council insurance and that three quotes be obtained. Consideration should be given to entering into a long-term agreement with the insurance company that presents the best value for money as this will fix the insurance premium and assist the council to make savings during the period of the long-term agreement.</p>
<p>Insurance cover appropriate and adequate?</p>	<p>Yes</p>	<p>The council has the main insurable risks in place including Public Liability, Employers Liability, Legal Expenses, Libel and Slander, Fidelity Guarantee and Personal Accident.</p>
<p>Internal financial control checks documented and evidenced?</p>	<p>No</p>	<p>Regulation 6 of the Accounts and Audit Regulations 2015 requires the council to conduct each financial year a review of the effectiveness of the system of internal control. This assists the council to respond to Assertion 2 of the Annual Governance Statement that requires the council to make a public statement that it has maintained an adequate system of internal control, including measures designed to prevent and detect fraud and corruption and reviewed its effectiveness.</p> <p>The Council does not have a system in place where it carries out a check of its internal controls. The internal controls check should be carried out by the Council at least on an annual basis and separately documented and formally recorded in the Council minutes. The Clerk/RFO is aware of the requirements to undertake the checks.</p>

		<p>RECOMMENDATION 39: That an internal controls policy be developed and adopted by the council that sets out the councils responsibilities relating to internal controls to comply with Regulation 6 of the Accounts and Audit Regulations 2015 and the procedure for undertaking the review taking into account the guidance referred to within the Governance and Accountability Practitioners Guide. The model internal controls checklist that can be obtained from the Yorkshire Local County Association to be attached as an appendix. The policy to include controls that the checks to be undertaken by councillors who are non-signatories to the account.</p>
<p>GDPR and back-up data? Is there a password list and business continuity plan?</p>	<p>Yes</p>	<p>The council has specific GDPR policies that were recently adopted. These were available on the parish council website. The Clerk/RFO has informed us that the electronic data is accessible from the cloud and a memory stick is routinely used for backing up the data. We would recommend that the memory stick be stored at the council offices for safe-keeping and not with the Clerk/RFO or alternatively other cloud based solutions be considered.</p> <p>The Council does not appear to have any formal business continuity plans in place. The Clerk/RFO has informed us he is aware of these requirements.</p> <p>RECOMMENDATION 40: That a business continuity plan be developed and adopted by the council. A template is available from the Yorkshire Local County Association.</p>
<p>Internal Audit Response</p>		<p>No</p>

Budgetary Controls And Financial Health

Internal Control Objective D: The precept or rates requirement resulted from an adequate budgetary process; progress against the budget was regularly monitored; and reserves were appropriate.

Aim: Verify the annual precept request is the result of a proper budget process, that budget progress has been regularly monitored and the Councils reserves are appropriate.

Internal Audit Testing	Compliance	Comments / Recommendations
<p>Is there an annual budget to support precept? Has the budget been discussed and adopted by council?</p>	<p>Yes</p>	<p>The key stages of the budgeting process are referred to within the Governance and Accountability Practitioners Guide. The key stages are:</p> <ul style="list-style-type: none"> ● deciding the form and level of detail of the budget; ● reviewing the current year budget and spending; ● determining the cost of spending plans; ● assessing levels of income; ● bringing together spending and income plans; ● providing for contingencies and considering the need for general and earmarked reserves; ● approving the budget; ● confirming and submitting the precept or rates and special levies; ● reviewing progress against the budget regularly throughout the year - at least quarterly in all but exempt authorities - including a year end projection and a clear minuted commentary of likely significant variances from the budget; ● virements (transfers between budget lines) are permitted but not required - they should be used to clarify the situation of the authority alongside budget variances arising from unforeseen circumstances <p>The council approved the budget for 2023/24 at the meeting held on the 26th January 2023. The precept of £176,144. The budget document presented to council members was reviewed. It is unclear from the budget document what the actual year to date expenditure was as this is not stated on the budget. There was no column to show any outstanding income or expenditure to the 31st March 2023 which would give the outturn/forecast position for each budget line at the 31st March 2023 which would provide the year-end projected balance. Attempts were made to test the precept requirement using the data available and calculating the councils opening cash book balances at the 01st April 2022, actual precept received; actual income and expenditure, general reserves and projected closing balance at 31st March 2022. This figure then became the councils opening cash-book balance at 01st April 2023. We noted that there was an income of £28,800, budgeting expenditure of £204,913.40 and new earmarked reserves totalling £240,000 that had been recorded incorrectly as income and a general reserve of £175,875. The deficit in</p>

		<p>the calculations should have worked back to the precept amount of £176,114 however there was a large discrepancy.</p> <p>Due to the weaknesses surrounding the precept calculations we cannot provide any assurance that that the budget has resulted from an adequate budgetary process. Additionally we note that the reserves of £240,000 have been allocated without sufficient business cases and lack of detail enclosed in the council minutes and budget report presented by the RFO. The practitioners guide states that smaller authorities have no specific right to accumulate funds via the precept and that all reserves should be reviewed and justified regularly. In our opinion we conclude that the allocation of some earmarked reserves were not justified by the council.</p> <p>Earmarked Reserves:</p> <ul style="list-style-type: none"> ➤ £30,000 – Environmental Projects ➤ £10,000 – Playground Renewal ➤ £83,000 – Thurcroft Library ➤ £20,000 – Additional Events Pots ➤ £86,000 – Christmas Lights ➤ £1,000 – Communication Pot ➤ £10,000 – Memorial Wall <p>£240,000 – Total Earmarked Reserves 2023/23</p> <p>RECOMMENDATION 41: That the council reviews its earmarked reserves and prepares a business case with time limited actions to justify the amount of reserves allocated to each individual project.</p>
<p>Is the precept demand correctly recorded in the minutes?</p>	<p>Yes</p>	<p>The precept of £176,144 for the 2023/24 financial year was agreed at the meeting held on the 26th January 2023. This figure was reviewed against the precept demand sent to the principal authority via email and this recorded £176,114. The budget document breakdown detail recorded a precept of £176,114. The Clerk/RFO is aware of the typo in the minutes dated 26th January 2023 which then became a true and accurate record following approval at the next meeting held on the 23rd February 2023 (minute reference 9283).</p> <p>RECOMMENDATION 42: That the council formally acknowledges the precept amount submitted to RMBC relating to the 2023/24 financial year and clarifies the error recorded at minute reference 9269 of the council meeting minutes held on the 26th January 2023.</p>

Is the budget against spend comparisons provided regularly to the Council? I.e. quarterly basis? Any unexpected variances?	No – See comments	As referenced in the earlier part of our report the councils budget was revised mid-year by the RFO and data entered onto the Scribe system. The revised re-allocation of budgets had not been formally agreed by the council and although the council had received some form of budget monitoring reports in the latter part of the financial year showing the actual spend to date against the budget was actually based on budgets not formally agreed by council.
Level of reserves within Proper Practice? I.e. between 3 and 12 months running costs. Review earmarked reserves.	No	<p>The general reserve of an authority comprises its cash flow and contingency funds to cover unexpected inflation, unforeseen events and unusual circumstances. The general reserves were considered as part of the budgetary process and were found not to be within the recommended levels. It is noted that the earmarked reserves have been allocated without sufficient business case as referenced in our findings above.</p> <p>The councils year end General Reserves Balances are high and exceed the recommended levels as per Governance and Accountability Practitioners Guide. We note that although the council adopted a General Reserves Policy this does not appear to have been considered by the council.</p>
Internal Audit Response		No

Income Controls Including The Precept

Internal Control Objective E: Expected income was fully received, based on correct prices, properly recorded and promptly banked; and VAT was appropriately accounted for

Aim: Obtain assurance that income controls are in place and operating effectively.

Internal Audit Testing	Compliance	Comments / Recommendations
Does the precept approved agree to the Council Tax authority's notification and has this been received and banked?	Yes	The precept of £175,930 was received in two equal instalments from Rotherham Borough Council on the 19 th April 2022 and 30 th September 2022 to the Corporate Instant Deposit Account (recorded as the 'Revenue' account on Scribe)
Does the council receive any other income in addition to the precept? Is the income properly recorded and banked?	No	<p>The council other income streams relate to:</p> <ul style="list-style-type: none"> ➤ Gordon Bennett Memorial Hall – Room Hire Fees (Meeting Room & the Hall) ➤ Thurcroft Recreation Playing Fields – Football pitch hire fees ➤ Allotments – Steadfolds Lane (Managed by the Allotments Society & £300 received per year) ➤ Cemetery – Burial Fees

Allotments

The Clerk informed us that the council did not charge any allotment rent fees during 2021/22 due to the Covid-19 pandemic. The council expects to receive £300 for the 2022/23 financial year. At the time of the audit the Clerk informed us that this fee had not been received.

RECOMMENDATION 43:

That the council chases up the allotment fees from the Allotments Society payable for the 2022/23 financial year.

Thurcroft Recreation Playing Fields and Gordon Bennet Room Hire Income

We found that there was no formal booking system in place for the hire of the pitches and room hire that could identify the dates, times and customer. The Clerk informed us that the council had not formally agreed any pitch hire or room hire fees during the 2022/23 financial year. The current system was being managed entirely by the councils Caretaker. The paperwork reviewed during the audit related to a hand-written summary with a reference linked to the receipt book, which recorded the customers name and amount. The receipt issued by the Caretaker did not record the date and times of the booking or the name of the parish council and officer therefore not representing an official receipt issued by the council. All payments were being received in cash. There were large sums of money being banked periodically by the Caretaker up to £3,000 in cash. We note that the council previously had a triplicate booking form for the hire of rooms however this had not been used for reasons unknown to the incumbent Clerk/RFO. The Clerk/RFO has informed us that customers are being advised to pay via bank transfer. We note that the new Financial Regulations include provision for two people to be involved in the process for counting cash and reconciliation and the safety and security of banking the cash. Additionally, we note that the council has purchased a booking software which will be managed by the Clerk.

RECOMMENDATION 44:

That the councils booking system for hall hire and pitches be reviewed and that internal controls are introduced which requires two persons to be involved in the booking process and banking where large sums of money are being reconciled and banked.

RECOMMENDATION 45:

That formal booking forms and/or triplicate books be used for the hire of pitches and room/hall hire at the Gordon Bennett Memorial Hall.

RECOMMENDATION 46:

That an official triplicate receipt book with sequential numbering be introduced and embedded into the councils internal control procedures to record all income received by the council (excluding cemetery).

		<p>RECOMMENDATION 47: That the hall hire and pitch fees be formally reviewed annually and agreed by the council in accordance with Financial Regulation 9.3.</p> <p><u>Cemetery</u> The council does not appear to have an effective internal control system relating to the management of burial fees. There is no system of recording receipts against the plot numbers and fee details ie purchase of grave, internment fee, cremated remains, memorials, inscriptions etc. A total of £23,847 was recorded as income on the Scribe system relating to cemetery fees. An income of £3,854 was received from the Co-operative Bank and coded against 'Venue Hire'. It is unclear if this related to the cemetery. The description field recorded on the Scribe system did not record the detail the income related to. A generic description of 'Funeral Service', 'Burial Service' was recorded on the transactions making it difficult for this data to be matched up with the paper records. During the audit we requested full income records relating to the Cemetery. The Clerk informed us that all records were not on file. From the documentation we reviewed, we found that that in some of the testing, the details could not be matched against the burial register and internment fees charged to the council. Additionally, the interment forms and Exclusive Rights of Burial Forms could not be cross referenced. We recommend that the council actions the recommendation made in the earlier part of our report relating to the cemetery audit having regards to the findings relating to the income.</p>
Has the council correctly invoiced for any sales and is the correct rate of VAT applied? (if applicable)	No	The Council is not VAT registered. Charges for the cemetery, pitch hire and hall/room hire were not formally agreed during the year (see findings above). The Clerk/RFO was unable to provide information or confirm when the council last formally reviewed the hire fees. There was inconsistent income details recorded on the Scribe accounting system. The total income for the hall hire recorded on Scribe during 2022/23 was in the region of £7,000.
Internal Audit Response		No

Petty Cash Procedures

Internal Control Objective F: Petty cash payments were properly supported by receipts; all petty cash expenditure was approved and VAT appropriately accounted for

Aim: Obtain assurance that petty cash controls are in place and operating effectively

Internal Audit Testing	Compliance	Comments / Recommendations
Does the Council manage petty cash and is it accounted for properly and included in the AGAR figures? Is all petty cash spent recorded and supported by VAT receipts?	Not applicable	The council does not have a petty cash float.
Internal Audit Response		Not applicable

Payroll Controls And Members Allowances

Internal Control Objective G: Salaries to employees and allowances to members were paid in accordance with this authority's approvals, and PAYE and NI requirements were properly applied.

Aim: Obtain assurance that payroll costs are supported by employment contracts, expenditure is approved and PAYE/NIC is properly operated. Review Members Allowances to ensure PAYE and NI requirements are met.

Internal Audit Testing	Compliance	Comments / Recommendation
<p>Is there a contract of employment for the Clerk/RFO and all employed staff? Has the Council approved the salaries paid? Do the salary records correspond with the pay points agreed by the Council?</p>	<p>No – See comments</p>	<p><u>Payroll</u> The payroll was being managed in-house by the former Clerk/RFO using the Basic PAYE Tools software. It is noted that the former internal auditor during the 2021/22 financial year audit recommended that payroll be outsourced <i>'to alleviate the pressures currently being faced by the Clerk to the Parish Council'</i>. Following the departure of the Clerk/RFO and the during the period of the incumbent Clerk RFO commencing their role on the 01st September 2022, we are informed that payroll was being administered by a Councillor. Following the arrival of the new Clerk/RFO, the council changed the payroll software to Bright Pay (minute reference 9205:27 October 2022) following the recommendation of the new Clerk due to reasons of <i>'minimising mistakes'</i> as recorded in the council meeting minutes. Salaries to employees were reported as a gross sum which was being paid out of the 'Clerks Imprest' bank account which we are informed the former Clerk/RFO was the sole signatory. We are informed this arrangement continued until the arrival of the incumbent Clerk/RFO. The councils former Clerk/RFO retired in June 2022.</p> <p><u>Employee A</u></p> <p><i>*A confidential report with the findings relating to Employee A are set out in a confidential appendix to this report.</i></p> <p>RECOMMENDATION 48: That the council voluntarily reports itself to the Police and to HMRC for loss of council funds and Financial impropriety surrounding the payment to a Employee A which does not match the payroll record and that an audit and investigation relating to the previous financial payments made to this employee be conducted by an external provider to manage the conflicts of interests and that any significant irregularities be reported to the Police and HMRC.</p>

Payroll Summary of Findings

- The council had four employees. The Clerk/RFO; Caretaker, Relief Caretaker, Cleaner and Lengthsman.
- Employees did not have any written statement of employment particulars which must be issued to employees on their first day of employment and a wider written statements within two months that includes information about pensions and pension schemes, collective agreements, any other right to non-compulsory training provided by the employer disciplinary and grievance procedures. It is noted that the council did not issue the contracts of employment prior to the 21st February 2023. A meeting was held on the 23rd February 2023 and the Human Resources committee resolved to adopt the model contracts of employment. Some employees had been with the council since 2015.
- The contract of employment for one employee was signed by the Chair of the council but not the post-holder. The contract which included provisions for the Local Government Pension Scheme had not been formally agreed by the council. Additionally we found that the council resolved that Councillor Humphreys would extrapolate all information, discuss with employees and create a new contract, job description using model contract of employment at the meeting held on the 28 July 2022. We found that the council should not have discussed or resolved items of business that were not specified on the agenda as they could be deemed unlawful.
- From the limited data we could test, we found that pay was calculated in methods not specified in the contracts of employment. The incumbent Clerk/RFO informed us that the system involved a councillor writing out the amounts to be paid to an employee which was then processed via payroll. The payslips reviewed did not itemise the number of hours for at least five months of the financial year. Whilst the payslip reporting improved in the latter parts of the financial year, the payroll records did not correspond to the contracts of employment due to the contracts not being formally agreed by council until February 2023.
- Employees were being paid on the 17th or 18th of the month covering a one month period. This would mean that employees were being paid some weeks in arrears and some weeks in advance. Additionally, we found that the new contracts of employment (with the exception of one) did not include the pay date or pay frequency.
- A casual employee did not appear to have any contract of employment on file.
- Errors were found between the amounts recorded on the payslips and the amounts paid to the employee.
- An employee was paid an additional amount of money that did not match the contract of employment. On inspection of the payslip there was no breakdown between the monthly salary as per contract of employment and/or additional overtime that could provide an explanation for the additional amount. The employee explained that no

		<p>formal time sheets were retained on file and that the hours were being logged on an outlook calendar.</p> <ul style="list-style-type: none"> ➤ An employee was issued with a Payslip for month 12 however the money was not paid by the council during the month of March or April 2023. <p>RECOMMENDATION 49: That all employee contracts of employment be reviewed and to include provision for pay date and pay frequency. The signed contracts of employment to be retained on file for audit purposes.</p> <p>RECOMMENDATION 50: That all council employees sign a timesheet and hand this in to their line manager to be signed off and retained on their Personnel Files. The timesheets for the Clerk/RFO should be signed off by the appropriate Personnel Committee or Chair of the Council as the case may be who the council may appoint to sign off the timesheets in between Personnel committee meetings.</p>
<p>Is the Tax and NI contributions paid within the expected parameters to HMRC? Are copies of P11s available?</p>	<p>See comments</p>	<p>Payroll is administered by Clerk/RFO using the Brightpay software. This was managed by a councillor during the interim period. We note that the Brightpay software assists with HMRC and year-end reporting. (see findings above). However we found that during the earlier part of the financial year, the council received correspondence from HMRC chasing up the contributions payable.</p> <p>RECOMMENDATION 51: That the payroll and pensions administration and HMRC reporting be outsourced to an independent payroll specialist.</p>
<p>Are pension obligations met as part of the auto-enrolment process? Criteria £10k salary p.a</p>	<p>No</p>	<p>Eligible employees are not auto-enrolled into a pension scheme. There is one current employee enrolled into the South Yorkshire Pension Scheme. We note that the full council at the meeting held in December 2022 resolved to join the South Yorkshire Pension Fund however the contribution rates were not recorded in the minutes. The Clerk informed us that the employee contribution rate was 6.5% and employer rate was 18.1%. Following our request for information, the Clerk/RFO could not provide us with any data to confirm that contributions had been deducted for the employer and that the employee contributions had been paid over to the South Yorkshire Pension Fund. We cannot provide any assurance that pension is being administrated correctly for both the employee and employer and that payments are being made to the South Yorkshire Pension Fund.</p>

		<p>RECOMMENDATION 52: That the council formally records the pension contribution rates in the council minutes for audit purposes and investigates all payments relating to pension for the employee and employer to ensure they have been administered correctly.</p> <p>RECOMMENDATION 53: That the council ensures all eligible post-holders are enrolled into the employer pension scheme. Further guidance on pensions is available in the National Association of Local Councils legal topic note which can be obtained from the Yorkshire Local Council Association.</p>
<p>Are allowances paid to members and paid via the payroll and/or other arrangements?</p>	<p>See comments</p>	<p>Councillors do not receive allowances. The Chairmans receives an allowance of £890.00 which is paid in a lump sum. Although this payment is subject to tax purposes it is not processed via the payroll.</p> <p>RECOMMENDATION 54: That in the event the council continues to pay the Chairman an annual Allowance, that this be processed via the payroll and where appropriate, income tax be deducted under PAYE scheme.</p> <p>RECOMMENDATION 55: That the council develops and adopts a Chairmans Allowance Policy which sets out the associated expenditure incurred in connection with the role and submission of an expenditure report at year-end for audit purposes. The council may consider a system where the lump sum is not paid annually to the Chairman but in the alternative a system be introduced where claims are submitted on a formal claim form and substantiated with a receipt for re-imburement against the Chairmans Allowance budget.</p>
<p>Internal Audit Response</p>		<p>No</p>

Asset And Investment Registers

Objective H : Asset and investments registers were complete and accurate and properly maintained

Aim: To provide assurance that all material assets are accounted for correctly

Internal Audit Testing	Compliance	Comments / Recommendations
<p>Does the council keep a register of all material assets owned? Is asset register up to date?</p>	<p>Yes</p>	<p>The Practitioners Guide refers to the proper practices relating to the asset management. The asset register is a starting point for any system of financial control over tangible assets as it:</p> <ul style="list-style-type: none"> • facilitates the effective physical control over assets • provides the information that enables the authority to make the most cost-effective use of its capital resources • supports the AGAR entry for fixed assets by collecting the information on the cost or value of assets held • forms a record of assets held for insurance purposes <p>The key information needed in the asset register is:</p> <ul style="list-style-type: none"> • date of acquisition, • cost of acquisition, • useful life estimate and location along with value held for investments. <p>A copy of the asset register document was provided. This recorded a total value of £884,404 in a table detailing the name, type of asset and value. This did not record the key information as referenced within the Governance and Accountability Practitioners Guide and the breakdown of assets within the Gordon Bennet Memorial Hall and other areas such as the recreational ground play areas. It is recommended that the method of asset valuation adopted should be set out in a policy approved by the council and recorded in the councils minutes and in the asset register. The risk of not recording a breakdown of assets exposes the council to lost or stolen assets that cannot be physically verified or tracked back to the date of purchase. Financial Regulation 12.6 stipulates that <i>'The RFO shall ensure that an appropriate and accurate Register of Assets and Investments is kept up to date. The continued existence of tangible assets shown in the Register shall be verified at least annually, possibly in conjunction with a health and safety inspection of assets'</i>. The council should ensure that at least once a year, a physical check of assets is undertaken to verify their existence and the findings reported to a council meeting.</p>

NAME	TYPE OF ASSET	VALUE
Thurcroft Cemetery	Cemetery	£ 1
Green Arbour Recreation Ground	Recreation Ground	1
Hangsmans Lane Recreation Ground	Recreation Ground	1
Brampton-en-le-Morthen Recreation Ground	Recreation Ground	1
Thurcroft Garden of Remembrance	Garden of Remembrance	1
Thurcroft Allotments Site	Allotments	1
Gordon Bennett Memorial Hall	Village Hall	884,404

RECOMMENDATION 56:

That improvements be made to the asset register to record the date of purchase, location, land registry reference (if applicable) replacement value for insurance purposes and the custodian and that a review of the purchase ledger be carried out for the last six years to identify the purchases for inclusion in the asset register. A breakdown of data should correspond to the values where items of assets are grouped together.

RECOMMENDATION 57:

That an asset register and disposal policy be developed and adopted to set out the asset management and valuation method in accordance with the requirements set out in the Governance and Accountability Practitioners Guide.

Does the asset register record the replacement value of individual assets for insurance purposes?

No

See findings above.

Compare the Asset Register value reported in section 2, box 9 prior year reported figure, adjusted to include new assets / and/or disposals. Is there a record of disposals to record non-serviceable/disposed assets?

See
Comments

£614,823 was recorded in box 9 of the AGAR accounting statements as the total value of assets held at 31st March 2022.

The document provided by the Clerk recorded a total of £884,404 representing a variance of £269,581.

Does the Asset Register value correspond to box 9 of the Annual Return?

No

The value recorded at box 9 of the AGAR accounting statement was £614,830 at 31st March 2023 (variance of £7.00). We note that during the year the council did purchase assets such the glazed door at the Gordon Bennett Memorial Hall, Lenova Ideapad Laptop; play equipment, benches, plaques etc. The asset register did not include the Christmas Lights. As

		recommended above, the council need to update their asset register and include all fixed assets purchased by the council. These assets should be verified to confirm their physical existence.
Does the register of assets correspond to the insurance schedule to ensure that all assets are insured or self-insured by the council?	No	The Gordon Bennett Memorial Hall was found to be insured and contents recorded to the value in the region of £34k. The value of contents could not be verified against the asset register as no breakdown of detail was recorded. Contents were insured against the address of the former Clerk and playground equipment which did not correspond to the asset register.
Have the assets been inspected for risk and H&S purposes and do inspection records exist?	No	Refer to the findings in the earlier part of our report.
Does the council hold any long-term investments? Are these held in accordance with the councils investment strategy?	Not Applicable	
Internal Audit Response:		No

Periodic Bank Reconciliations

Objective I : Periodic and year-end bank account reconciliations were properly carried out.

Aim: To provide assurance that bank reconciliations were carried out on a regular basis and reported to Council.

Internal Audit Testing	Compliance	Comments / Recommendations
Is there a bank reconciliation for each account?	See comments	<p>The council have three bank accounts. Periodic bank reconciliations were not prepared during the year. An end of year bank reconciliation was prepared. The Clerk/RFO is aware of the reporting of the bank reconciliations to council in accordance with the requirements of the Financial Regulations.</p> <p>RECOMMENDATION 58: That on a regular basis (in accordance with Financial Regulation 2.2) at least once in each quarter, and at each financial year end, a member other than the Chairman shall be appointed to verify bank reconciliations (for all accounts) produced by the RFO. The member shall sign the reconciliations and the original bank statements (or similar document) as evidence of verification. This activity shall on conclusion be reported, including any exceptions, to and noted by the council to the Finance & General Committee.</p>

Reconciliation carried out on receipt of statement?	No	See findings above.
Are bank reconciliations reported to council and committee? Are these independently signed off by members and recorded in the minutes?	No	See findings above.
Any unexpected balancing entries in any reconciliation? Sample test one month.	Yes	See findings in earlier parts of the report.
Bank Reconciliation to the 31 March?	Yes	The bank reconciliation corresponded to the councils bank balances recorded at the 31 st March 2023: <ul style="list-style-type: none"> • £62,026.67 – Community Direct Plus Account (Revenue Account on Scribe) • £6,586.79 – Clerks Imprest Account • £870,080.90 – Corporate Instant Deposit (Savings Account) £938,694.36 – Bank Balances at 31st March 2023
Internal Audit Response		No

Accounting Statements

Internal Control Objective J : Accounting statements prepared during the year were prepared on the correct accounting basis (receipts and payments or income and expenditure), agreed to the cash book, supported by an adequate audit trail from underlying records and where appropriate debtors and creditors were properly recorded.

Aim: Obtain assurance that accounts prepared on correct statements (income and expenditure, debtors and creditors, over £200,000) or (summary receipts and payments, under £200,000) and that working papers can be followed through to final document

Internal Audit Testing	Compliance	Comments / Recommendations
Year-end accounts prepared on correct accounting basis?	Yes	The Clerk had prepared the accounts on an receipts and payments basis. This was later changed during the audit as it was identified that the accounts have been reported on an income and expenditure basis due to the turnover exceeding £200,000. The year-end reports were later emailed for review and had been prepared on an income and expenditure basis.

<p>Staff Costs [Box 4] Do payments relate to employment of staff including gross salary, employers' national insurance contributions, employers' pension contributions, gratuities for employees or former employees and severance or terminations payments to employees?</p>	<p>No</p>	<p>£44,659 was recorded in box 4. The data on the Scribe system recorded:</p> <ul style="list-style-type: none"> • £45,885.84 – Salaries • £13,025.64 – HMRC Payments • £0.00 – Pension Contributions (Pensions were deducted in March 2023 but not recorded on the system) <p>The figure in box 4 has not been calculated correctly.</p> <p>RECOMMENDATION 59: That the figure in box 4 is amended to include the HMRC payments and Pension Contributions prior to submission for external audit. Refer to the Practitioners Guide for further guidance.</p>
<p>Do the Bank statements and ledger reconcile at 31 March?</p>	<p>Yes</p>	<p>See findings above in the bank reconciliation testing.</p>
<p>Is there an underlying financial trail from records to presented accounts?</p>	<p>See comments</p>	<p>Box 1 – This figure was recorded correctly Box 2 – This figure was recorded correctly Box 3 - £90.00 income was recorded for Gas Services. This may relate to a refund in which case it should not be entered in as a receipt and reported in box 3 if it represents a legitimate refund. £14,252.97 was recorded as income for Employers Tax and NI. It is unclear what this income represents or if this relates to a refund in which case it should be netted off the expenditure code. £2,154.34 was recorded as income for Playground maintenance. If this represents a refund it should be netted off the expenditure transaction. Box 4 – See findings above Box 5 – Not applicable Box 6 - Recorded £223,354 for all other payments. This figure will be incorrect as it includes the HMRC payments that should be reported in box 4 and pension contributions that are likely to be recorded under all other payments however the pension contributions could not be linked back to the data. Box 7 – Recorded £967,635.01 which related to the outstanding VAT of £28,958.65. However this recorded a total value of £938,676.36 which should reconcile with the bank statements balances however this did not agree as there was a discrepancy of £18.00. Box 8 – Recorded £938,676.36. This did not reconcile with the bank reconciliation. Box 9 – See findings above relating to the value recorded in Box 9. Box 10 – Not applicable</p> <p>A copy of the summary income and expenditure report was provided with the accounting statements.</p>

		<p>RECOMMENDATION 60: That the underlying detail for the income be reviewed and updated accordingly prior to submission for external audit.</p> <p>RECOMMENDATION 61: That the figure recorded in box 7 be reviewed to remove any costs related to HMRC that should be recorded in box 4.</p> <p>RECOMMENDATION 62: That the transactions for pension contributions be located to ensure that they are correctly reported in box 4.</p>
Is the explanation of significant variances from completed? Explanations are now required for all variances of £100,000 or more regardless of the % variance. All responses should comprise both narrative and numerical explanations.	Yes	<p>There was no explanation provided for the significant variances document produced by the Scribe Accounting Software.</p> <p>RECOMMENDATION 63: That the explanation of significant variances document be updated to include an explanation that will be required for reporting purposes to the external auditor.</p>
Is there a reconciliation between boxes 7 and 8?	Yes	See findings above.
Where appropriate, debtors and creditors properly recorded?	See comments	<p>The VAT recoverable was recorded. No other debtors or creditors were recorded. The pension contributions should be recorded if this has not been paid out during the financial year.</p> <p>RECOMMENDATION 64: That the creditors and debtors outstanding at 31st March 2023 be reviewed and updated accordingly prior to submission for external audit.</p>
Internal Audit Response:		No

Certification of Exemption (2021/22)

Internal Control Objective K: IF the authority certified itself as exempt from a limited assurance review in 2021/22, it met the exemption criteria and correctly declared itself exempt. (If the authority had a limited assurance review of its 2021/22 AGAR tick “not covered”)

Internal Audit Response: Internal Control objective K is not applicable to Thurcroft Parish Council.

Legislative Publication Requirements

Internal Control Objective L: The authority publishes information on a free to access website/webpage up to date at the time of the internal audit in accordance with the relevant legislation.

Aim: Obtain assurance that the council has complied with the publication of the AGAR for the last five years; compliance with the Local Government Data Transparency Code and Freedom of Information Act, Publication Scheme.

Note: The auditing requirements in the practitioners guide are not entirely clear that provide the guidance relating to objective L that has changed for the 2022-23 financial year. Therefore testing has been carried out to seek assurance on the publication requirements of the Accounts and Audit Regulations 2015 - Section 13 (2) (b) to ensure that Councils display the AGARs for the five years 2017-18, 2018-19, 2019-20, 2020-21 and 2021-22 on their website and compliance with the Local Government Data Transparency Code (if applicable).

Data Transparency Code

The Government has published the 'Local Government Transparency Code' as a code of recommended practice under section 2 of the Local Government, Planning & Land Act 1980. This Code, which can be found at [Title \(publishing.service.gov.uk\)](http://www.publishing.service.gov.uk) came into effect on the 01 April 2015. This is applicable to parish and town councils where gross income or gross expenditure exceeds £200,000. The Code does not replace or supersede the existing framework for access to and re-use of public sector information provided by the:

- Freedom of Information Act 2000 (as amended by the Protection of Freedoms Act 2012)
- Environmental Information Regulations 2004
- Re-use of Public Sector Information Regulations 2005
- Infrastructure for Spatial Information in the European Community regulations 2009
- Sections 25 and 26 of the Local Audit and Accountability Act 2014 which provides rights for persons to inspect a local authority's accounting records and supporting documentation, and to make copies of them.

The Code provides for publication of a comprehensive set of information, including Unique Property Reference Numbers of land and building assets (principal authorities may be able to help with these). There is no prescribed Code for councils where gross turnover is between £25,000 and £200,000 but all councils must have a Publication Scheme complying with the Information Commissioner's requirements.

Audit testing was carried out following checks on the town council website. The findings are summarised below.

Title	Frequency and requirement
Expenditure exceeding £500	Quarterly publication Publish details of each individual item of expenditure that exceeds £500, including items of expenditure, consistent with Local Government Association guidance, such as: <ul style="list-style-type: none">• individual invoices• grant payments • expense payments

- payments for goods and services
- grants • grant in aid
- rent • credit notes over £500
- transactions with other public bodies.

For each individual item of expenditure the following information must be published:

- date the expenditure was incurred
- local authority department which incurred the expenditure • beneficiary
- summary of the purpose of the expenditure • amount
- Value Added Tax that cannot be recovered • merchant category (eg. computers, software etc)

Internal Audit Findings:

We found that whilst the payments over £500 were published on the website for the 2022/23 financial year, the published information was not published in the format set out in the code, for example the merchant category ie budget code/cost centre was not listed and where the information was published to relate to the summary of the purpose of the expenditure, this information published was not summarised and did not describe the purpose of the payment for example 'Grounds maintenance' which does not specify which ground this relates to or the works undertaken. See link to website: [Accounts & Payments - Thurcroft Parish Council](#)

Government Procurement Card transactions

Quarterly publication

Publish details of every transaction on a Government Procurement Card. For each transaction, the following details must be published:

- date of the transaction
- local authority department which incurred the expenditure
- beneficiary • amount
- Value Added Tax that cannot be recovered
- summary of the purpose of the expenditure • merchant category (eg. computers, software etc).

Internal Audit Findings

This does not apply to the parish council and this was found to be detailed on the website, see link: [GOVERNMENT PROCUREMENT CARD TRANSACTIONS 28102022.pdf \(thurcroftparishcouncil.gov.uk\)](#)

Procurement Information

Quarterly publication

Publish details of every invitation to tender for contracts to provide goods and/or services with a value that exceeds £5,000. For each invitation, the following details must be published:

- reference number • title
- description of the goods and/or services sought
- start, end and review dates • local authority department responsible.

Quarterly publication

Publish details of any contract, commissioned activity, purchase order, framework agreement and any other legally enforceable agreement with a value that exceeds £5,000. For each contract, the following details must be published:

- reference number
- title of agreement • local authority department responsible
- description of the goods and/or services being provided
- supplier name and details • sum to be paid over the length of the contract or the estimated annual spending or budget for the contract
- Value Added Tax that cannot be recovered
- start, end and review dates • whether or not the contract was the result of an invitation to quote or a published invitation to tender
- whether or not the supplier is a small or medium sized enterprise and/or a voluntary or community sector organisation and where it is, provide the relevant registration number.

Internal Audit Findings:

We found that the council had set-up a page to publish the contracts information however no information was published to comply with the requirements of the code. See link to page: [PROCUREMENT INFORMATION 28102022.pdf \(thurcroftparishcouncil.gov.uk\)](https://www.thurcroftparishcouncil.gov.uk/procurement-information-28102022.pdf)

RECOMMENDATION 65:

That the council publishes the procurement information in compliance with the publication requirements set out in the code.

Local authority land

Annual publication

Publish details of all land and building assets including:

- all service and office properties occupied or controlled by user bodies, both freehold and leasehold
- any properties occupied or run under Private Finance Initiative contracts
- all other properties they own or use, for example, hostels, laboratories, investment properties and depots
- garages unless rented as part of a housing tenancy agreement
- surplus, sublet or vacant properties
- undeveloped land
- serviced or temporary offices where contractual or actual occupation exceeds three months
- all future commitments, for example under an agreement for lease, from when the contractual commitment is made

For each land or building asset, the following information must be published together in one place:

- Unique Property Reference Number
- Unique asset identity - the local reference identifier used by the local body, sometimes known as local name or building block. There should be one entry per asset or user/owner (eg. on one site there could be several buildings or in one building there could be several users, floors/rooms etc – where this is the case, each of these will have a separate asset identity). This must include the original reference number from the data source plus authority code
- name of the building/land or both
- street number or numbers - any sets of 2 or more numbers should be separated with the ‘-’ symbol (eg. 10-15 London Road)

- street name – this is the postal road address
 - post town and United Kingdom postcode
 - map reference – local authorities may use either Ordnance Survey or ISO6709 systems to identify the location of an asset, but must make clear which is being used. Where an Ordnance Survey mapping system is used (the grid system) then assets will be identified using Eastings before Northings. Where geocoding in accordance with ISO 6709 is being used to identify the centre point of the asset location then that reference must indicate its ISO coordinates
 - whether the local authority owns the freehold or a lease for the asset and for whichever category applies, the local authority must list all the characteristics that apply from the options given below: for freehold assets:
 - occupied by the local authority
 - ground leasehold
 - leasehold
 - licence
 - vacant (for vacant properties, local authorities should not publish the full address details and should only publish the first part of the postcode)
- For leasehold assets:
- occupied by the local authority
 - ground leasehold
 - sub leasehold
 - licence for other assets:
 - free text description eg. rights of way, access etc.
- whether or not the asset is land only (without permanent buildings) or it is land with a permanent building.

Internal Audit Findings:

Information on council assets was linked to the councils asset register page on the website: [Asset Register - Thurcroft Parish Council](#) We found that although there was some reference to land on the register this did not include the detail as per requirements of the code.

RECOMMENDATION 66:

That the local authority land information be published on the website in compliance with the publication requirements set out in the Transparency Code.

Social housing asset value

This does not apply to Thurcroft Parish Council.

Internal Audit Findings:

The publication requirements relating to Social Housing Asset Values does not apply to Thurcroft Parish Council, see link: [SOCIAL HOUSING ASSETS 28102022.pdf \(thurcroftparishcouncil.gov.uk\)](#)

Grants to voluntary, community and social enterprise organisations	<p>Annual publication Publish details of all grants to voluntary, community and social enterprise organisations. This can be achieved by either:</p> <ul style="list-style-type: none"> • tagging and hence specifically identifying transactions which relate to voluntary, community and social enterprise organisations within published data on expenditure over £500 or published procurement information, or • by publishing a separate list or register. <p>For each identified grant, the following information must be published as a minimum:</p> <ul style="list-style-type: none"> • date the grant was awarded • time period for which the grant has been given • local authority department which awarded the grant • beneficiary • beneficiary’s registration number • summary of the purpose of the grant • amount
	<p>Internal Audit Findings: Information relating to grants was linked to the accounts and audit page. We could not find any specific publications relating to the grants awarded to community and social enterprise organisations.</p> <p>RECOMMENDATION 67: That the council publishes the information relating to grants to voluntary, community and social enterprise organisations in compliance with the publication requirements set out in the code.</p>
Organisation chart	<p>Annual publication Publish an organisation chart covering staff in the top three levels of the organisation. The following information must be included for each member of staff included in the chart:</p> <ul style="list-style-type: none"> • grade • job title • local authority department and team • whether permanent or temporary staff • contact details • salary in £5,000 brackets, consistent with the details published for Senior Salaries • salary ceiling (the maximum salary for the grade). <p>* This should exclude staff whose salary does not exceed £50,000.</p>
	<p>Internal Audit Findings: This information was found to be published on the website, see link: ORGANISATIONAL STRUCTURE 23042023.pdf (thurcroftparishcouncil.gov.uk)</p>
Trade union facility time	<p>This does not apply to Thurcroft Parish Council</p>

Internal Audit Findings:

The publication requirements relating to Trade Union Facility Time does not apply to Thurcroft Parish Council, see link: [TRADE UNION FACILITY TIME 28102022.pdf \(thurcroftparishcouncil.gov.uk\)](#)

Parking Account

This does not apply to Thurcroft Parish Council

Internal Audit Findings:

The publication requirements relating to the Parking Account does not apply to Thurcroft Parish Council, see link: [PARKING ACCOUNT 28102022.pdf \(thurcroftparishcouncil.gov.uk\)](#)

Parking Spaces**Annual publication**

Publish the number of marked out controlled on and off-street parking spaces within their area, or an estimate of the number of spaces where controlled parking space is not marked out in individual parking bays or spaces.

Internal Audit Findings:

We found information on the website that confirmed that the parish council do not have any controlled parking spaces, see link: [PARKING SPACES 28102022.pdf \(thurcroftparishcouncil.gov.uk\)](#). We understand that the Gordon Bennett Memorial Hall which is a council owned building has a large car park. If the car park is owned by the parish council, then it would need to comply with the publication requirements.

RECOMMENDATION 68:

That the publication information relating to car parking spaces be reviewed and updated accordingly in compliance with the requirements set out in the transparency code.

Senior Salaries

This does not apply to Thurcroft Parish Council

Internal Audit Findings:

The publication requirements relating to Senior Salaries is not applicable to the parish council, see link: [SENIOR SALARIES 28102022.pdf \(thurcroftparishcouncil.gov.uk\)](#)

Constitution

Local authorities are already required to make their Constitution available for inspection at their offices under section 9P of the Local Government Act 2000. Local authorities must also, under this Code, publish their Constitution on their website.

Internal Audit Findings:

A copy of the councils Standing Orders and Code of Conduct were available on the website. See link: [Council Documents - Thurcroft Parish Council](#)

Pay Multiple**Annual publication**

Publish the pay multiple on their website defined as the ratio between the highest taxable earnings for the given year (including base salary, variable pay, bonuses, allowances and the cash value of any benefits-in-kind) and the median earnings figure of the whole of the authority's workforce. The measure must:

- cover all elements of remuneration that can be valued (eg. all taxable earnings for the given year, including base salary, variable pay, bonuses, allowances and the cash value of any benefits-in-kind)
- use the median earnings figure as the denominator, which should be that of all employees of the local authority on a fixed date each year, coinciding with reporting at the end of the financial year
- exclude changes in pension benefits, which due to their variety and complexity cannot be accurately included in a pay multiple disclosure.

Internal Audit Findings:

We found that this information was not published on the website, see link: [PAY MULTIPLE 28102022.pdf \(thurcroftparishcouncil.gov.uk\)](https://www.thurcroftparishcouncil.gov.uk/PAY%20MULTIPLE%2028102022.pdf)

RECOMMENDATION 69:

That the publication information relating to the pay multiple be published in compliance with the requirements of the Transparency Code.

Fraud

Annual publication

Publish the following information:

- number of occasions they use powers under the Prevention of Social Housing Fraud (Power to Require Information) (England) Regulations 2014, or similar powers
- total number (absolute and full time equivalent) of employees undertaking investigations and prosecutions of fraud
- total number (absolute and full time equivalent) of professionally accredited counter fraud specialists
- total amount spent by the authority on the investigation and prosecution of fraud
- total number of fraud cases investigated.

Internal Audit Findings:

This did not apply to the parish council, see link: [FRAUD 28102022.pdf \(thurcroftparishcouncil.gov.uk\)](https://www.thurcroftparishcouncil.gov.uk/FRAUD%2028102022.pdf)

**Waste
Contracts**

One-off publication

Local authorities must publish details of their existing waste collection contracts, in line with the details contained in paragraphs 32 of the Code, at the point they first publish quarterly contract information under Part 2 of this Code.

Internal Audit Findings:

This information could not be located from the website, see link to website transparency page: [Transparency Information - Thurcroft Parish Council](https://www.thurcroftparishcouncil.gov.uk/Transparency%20Information%20-%20Thurcroft%20Parish%20Council)

RECOMMENDATION 70:

That the information relating to waste contracts be published on the website in compliance with the publication requirements set out in the Transparency Code.

AGAR Published For The Last Five Years & Freedom of Information Publication Scheme

Internal Audit Testing	Compliance	Comments / Recommendations
Publication of the AGAR for the last five years in accordance with the Accounts and Audit Regulations 2015, section 13 (2)?	No	<p>Audit testing was carried out to confirm the publication of the AGAR for the last five years to include copies of section 1, section 2 and the certificate issued by the external auditor</p> <ul style="list-style-type: none"> • 2017/18 – No information could be found relating to the 2017/2018 AGAR • 2018/19 – No information could be found relating to the 2018/2019 AGAR • 2019/20 – No information could be found relating to the 2019/2020 AGAR • 2020/21 – No information could be found relating to the 2020/2021 AGAR • 2021/22 – Copies of section 1 and 2 were found to be published on the website however the final external audit certificate was not published. An interim certificate was published from PKF Little Johns. See links: AGAR - Section 1 - Annual Governance 2021-22.pdf (thurcroftparishcouncil.gov.uk); AGAR - Section 2 - Annual Statements 2021-22.pdf (thurcroftparishcouncil.gov.uk); SY0080 IS3.pdf (thurcroftparishcouncil.gov.uk) <p>RECOMMENDATION 71: That the signed annual governance statement and accounting statement and external audit certificate be published on the website relating to the 2017/2018, 2018/2019, 2019/2020, 2020/21 financial years.</p> <p>RECOMMENDATION 72: That the signed external audit certificate relating to the 2021/22 financial year be published on the website.</p>
Freedom of Information Act – Has the Council adopted a Publication Scheme?	No	<p>We found that whilst the council had published the requirements relating to the Model Publication Scheme, the actual publication scheme itself had not been published, see link: ico-model-publication-scheme-2015.pdf (thurcroftparishcouncil.gov.uk)</p> <p>RECOMMENDATION 73: That the council adopts and publishes the Model Publication Scheme using the model template issued by the Information Commissioners Officer, see link: template-parish-councils-20211029.doc (live.com)</p>
Internal Audit Response:		No

Publication Requirements – Exercise of Public Rights 2021/22

Internal Control Objective M: In the year covered by this AGAR, the authority correctly provided for a period for the exercise of public rights as required by the Accounts and Audit Regulations (*during 2022/23 AGAR period, were public rights in relation to the 2021/22 AGAR evidenced by a notice on the website and/or authority approved minutes confirming the dates set*).

Aim: Obtain assurance that the Council has advertised the dates for the inspection of public rights correctly.

Internal Audit Testing	Compliance	Comments / Recommendations
<p>Do arrangements for public inspection of council's records exist? The inspection window must include a 30-working day period including the first 10 working days of July following the end of the financial year to which the accounts relate.</p> <p>Evidence of public inspection notice seen? And website address.</p>	<p>No</p>	<p>We found that the notice published on the website did not include the first 10 working days in compliance with the Accounts and Audit Regulations 2015 (15). See link to notice: WHAT SMALLER AUTHORITIES NEED TO DO TO ADVERTISE THE PERIOD DURING WHICH ELECTORS AND INTERESTED PERSONS MAY EXERCISE RIGHTS RELATING TO THE ANNUAL ACCOUNTS (thurcroftparishcouncil.gov.uk)</p> <p>It is noted that the AGAR was not formally approved until the 11 August 2022 at an extraordinary council meeting. The minutes were reviewed and it is noted that <i>'It was resolved that Monday 15th August 2022 to Monday 26th September 2022 be selected by Thurcroft Parish Council for the period of exercise of public rights. Clerk to place on the website and Parish noticeboards. Council noted that this did not meet statutory requirements, but this was the earliest possible dates after approval of the Accounting Statements and the external auditor had been made aware of the issue'</i>.</p> <p>It is noted that the external auditor has acknowledged that the council did not comply with the publication requirements. The following comments have been published on the external audit certificate:</p> <ul style="list-style-type: none"> <i>The smaller authority failed to approve the AGAR in time to publish it before 1 July 2022, the date required by the Accounts and Audit Regulations 2015, but did disclose this by answering 'No' to Section 1, Box 1. We note that the smaller authority did not comply with Regulation 15 of the Accounts and Audit Regulations 2015 as it failed to make proper provision during the year 2022/23 for the exercise of public rights, since the period for the exercise of public rights was less than 30 consecutive working days in length and did not include the first 10 working days of July. As a result, the smaller authority must answer 'No' to Assertion 4 of the Annual Governance Statement for 2022/23 and ensure that it makes proper provision for the exercise of public rights during 2023/24</i>
<p>Internal Audit Response:</p>		<p>No</p>

Publication Requirements for 2021/22 AGAR (previous year)

Internal Control Objective: The authority has complied with the publication requirements for 2021/22 AGAR (see AGAR Page 1 Guidance Notes).

Aim: Review evidence for publication (Form 3): AGAR to be approved and published by 01 July 2022 at the very latest. External Audit Certificate and Conclusion of Audit of Notice to be posted on the council website by 30 September 2022.

Internal Audit Testing	Compliance	Comments / Recommendations
Before 01 July 2022, the authority should have published: a) Notice of the period of exercise rights and a declaration that the accounting statements are as yet unaudited.	No	See findings above.
b) Section 1 the Annual Governance Statement approved and signed page 4	Yes	See link: AGAR - Section 1 - Annual Governance 2021-22.pdf (thurcroftparishcouncil.gov.uk)
c) Section 2 the Accounting Statements approved and signed page 5	Yes	See link: AGAR - Section 2 - Annual Statements 2021-22.pdf (thurcroftparishcouncil.gov.uk)
Not Later than the 30 September 2022: d) Notice of conclusion of audit	No	A letter was issued to the Clerk/RFO dated 27 th January 2023 from the external auditor PKF Little Johns with the instructions to publish the notice of audit. Following a review of the website on the accounts and audit pages, this document could not be located on the website.
e) Section 3 – External Auditor Report and Certificate	No	An interim certificate was issued see link: SY0080 IS3.pdf (thurcroftparishcouncil.gov.uk) The final certificate was issued on the 27 th January 2023 by the external auditor. A copy was provided during the audit. Following a review on the website, the final certificate could not be located.
f) Sections 1 and 2 of AGAR including any amendments as a result of the limited assurance review	Not applicable	The external auditor has drawn attention to the following matter: <ul style="list-style-type: none"> Information received from the smaller authority indicates that two parcels of land, currently believed to be held by the authority, may actually be subject to a charitable trust where the authority is sole trustee. The smaller authority has confirmed that this situation

will be investigated as a matter of priority and any necessary changes made to the Council record.

Internal Audit Response: No

Trust Funds

Internal Control Objective O : Trust funds (including charitable) – The council met its responsibilities as a trustee

Aim: Obtain assurance that all charities of which the council is a trustee are filed and up to date; details are available on the Charity Commission Website; charity meetings and accounts are recorded separately from the council

Internal Audit Testing	Compliance	Comments / Recommendations
<p>Is the council a sole trustee? <i>*Review details on the charity commission register</i></p> <p>Are all the Charity Commission filing requirements up to date?</p> <p>Are charity meetings and accounts recorded separately from those of the council?</p>		<p>The Clerk informed us that the council has no responsibilities in respect of sole trustees. However we note from the external audit certificate the external auditor has stated that: <i>'Information received from the smaller authority indicates that two parcels of land, currently believed to be held by the authority, may actually be subject to a charitable trust where the authority is sole trustee. The smaller authority has confirmed that this situation will be investigated as a matter of priority and any necessary changes made to the Council record'</i></p> <p><u>Update received from the Clerk/RFO</u> In an email dated 13th June 2023 the Clerk/RFO informed us that this matter was still with the councils solicitors Bradford and Sons who were in the process of registering this with the Charity Commission and therefore was not a matter that had been fully resolved by council.</p>
Internal Audit Response:		No

Other Matters

- (1) We noted that during the earlier part of the financial year, the council was resolving matters at meetings that were not identified on the agenda therefore the council was not in a position to legally transact the business in accordance with the Local Government Legislation.

RECOMMENDATION 74:

That the council ensures all business to be transacted at council meetings is identified on the agenda and that public notice is given in accordance with the requirements of the Local Government Act 1972. Further advice on meetings and meetings summons can be obtained from the Yorkshire Local County Association.

- (2) Community Infrastructure Levy Monies [CIL]

The Clerk/RFO informed us that the council receives CIL monies. We were not provided with a CIL expenditure year-end summary as part of the audit to confirm the amount of monies brought forward, monies received during the year and the outstanding CIL balance at year-end. The council should ensure that there is a separate cost centre and reserves set-up for CIL as this will be required as part of the reporting requirements for the principal authority and for audit purposes.

Recommendations Action Plan (Attached)

Appendix 1 – Assurance Definitions & Recommendations Priority Level Indicators

Assurance Levels		Definition	Assessment
POSITIVE	SUBSTANTIAL	A sound system of governance, risk management and control exist, with internal controls operating effectively and being consistently applied to support the achievement of objectives in the area audited.	Consistent application of internal controls.
	REASONABLE	There is a generally sound system of governance, risk management and control in place. Some issues, non-compliance or scope for improvement were identified which may put at risk the achievement of objectives in the area audited.	Some evidence of non-compliance that may put the objectives at risk.
NEGATIVE	LIMITED	Significant gaps, weaknesses or non-compliance were identified. Improvement is required to the system of governance, risk management and control to effectively manage risks to the achievement of objectives in the area audited.	Significant evidence of non-compliance that puts the objectives at risk.
	NONE	Immediate action is required to address fundamental gaps, weaknesses or non-compliance identified. The system of governance, risk management and control is inadequate to effectively manage risks to the achievement of objectives in the area audited.	Fundamental failure and significant evidence of non-compliance that leaves the objectives at serious risk that requires immediate action.

Priority Level Indicators [To support the Categorisation of Recommendations]

We have prioritised the recommendations having considered the impact of the risk for the relevant internal control area we assessed.

(1) HIGH	(2) MEDIUM	(3) LOW
Fundamental weaknesses that represent a serious risk to the control systems and that require immediate attention.	The weaknesses identified are not of a fundamental nature but are significant as they represent a risk to the control system area assessed.	Suggested improvements to the level of existing controls in place that are not exposed to significant weaknesses.

Thurcroft Parish Council - Recommendations Action Plan

Internal Audit Year Ending 31st March 2023

No	Recommendation	Priority	Page Number	Responsibility	Timescale
1	That the appointment of the new Parish Clerk and RFO be ratified by the full council.	1	8		
2	That the appointment of a councillor undertaking the Clerk role in future be subject to a risk assessment and formal resolution of the full council or delegated committee in accordance with the Local Government Act 1972, section 112 (5)	2	8		
3	That the correct opening balances are inserted into the Scribe Accounts as this will assist with the year-end reporting.	1	10		
4	That the cover of the Standing Orders includes detail to confirm which latest NALC model the Standing Orders are based on and that an original signed copy by the Chair of the meeting be retained on file and a scanned copy be published on the website.	3	11		
5	That the cover of the Financial Regulations includes details on the face of the cover to confirm which model NALC Financial Regulations they are based on.	3	11		
6	That the wording 'exclusive of VAT' be inserted to the Financial Regulations and Standing Orders relating to contracts exceeding £25,000 due to the change in contract values by government. In the event that a model standing order or financial regulation relating to this be issued by NALC, it is recommended that the model clause be adopted instead.	3	12		
7	That the payments list be included in the minutes of the meeting and/or the separate schedule be signed by the chair in accordance with Financial Regulation 5.2. The signed schedule and approved minutes to be uploaded on the website on the agendas and minutes page. The payment schedule to summarise the detail of the payment and the cost centre/code/budget that relates to.	2	12		
8	That an official order or letter be issued for all work, goods and services unless a formal contract is to be prepared or an official order would be inappropriate in accordance with Financial Regulation 10. The purchase order details to be inserted on the face of all invoices to form an adequate audit trail. The approved purchase orders and contracts to be retained	2	14		

	on file and a copy of the purchase order or letter to be appended to the invoice for audit purposes.				
9	That a suitably designed authorisation stamp for payment be used for all invoices as an evidence of checks of the purchasing and payment authorisation to form an adequate audit trail which can be tracked back to the where the order/payment originated. As a minimum the stamp should record the detail to reference the original purchasing authority, certificate of the invoice by the RFO; payment authorisation; payment date/type and authorised by to include details of the signatories.	2	15		
10	That a contracts timetable be developed by the council to identify all long term and short terms contracts, the start date and end date of the contract, payment frequency, total annual contact value and total contract value over the duration of the contract term (ie number of years). The contracts timetable should identify a contract review date which should be at least three months prior to the expiry of the contract to ensure the procurement procedures can be instigated. The contract timetable to reference the details to the formal contract or letter on file that can be retrieved for audit purposes.	3	15		
11	That the council agrees the specification for the flowering and grass cutting contract and that this be put out to tender with a minimum of three quotations with an agreed contract term, for example three or five years. The quotations to be recorded in the council minutes and a contract of services, official letter or purchase order be drawn up following the award of the contract and in compliance with the tendering requirements as set out in the Financial Regulations.	1	17		
12	That the council recovers the duplicated amount of £180.00 paid twice on the 31 st March 2023 relating to invoice number GC451-684.	1	18		
13	That the council agrees the specification for the Grounds maintenance at the playing fields and Thurcroft Cemetery and pitch marking fees. The council should aim to obtain a minimum of three quotations and that this be put out to tender with an agreed contract term, for example three or five years. The quotations to be recorded in the council minutes and a contract for services be drawn up, official letter or purchase order following the award of the contract and in compliance with the tendering requirements as set out in the Financial Regulations.	1	18		
14	That the council investigates the payments made to Glendale Countryside relating to the payment of £660.00 paid on the 29 July 2022 and the payment of £840.00 paid on the 28 October 2022 which cannot be substantiated due to no invoice on file.	1	19		

15	That a comprehensive audit of the cemetery management relating to income, expenditure and cemetery records be undertaken covering a minimum period of the last four financial years to provide assurance to the public that public money relating to cemetery management has been administrated correctly as per burial charges and all records and payments/receipts can be reconciled with an audit trail and against the bank statements. The audit should be carried out by an independent external person to ensure that conflicts of interests are managed appropriately.	1	20		
16	That the council reviews the administration and fees for internments and introduces robust internal controls for processing requests and procedures which are formally adopted by the parish council and shared with funeral directors and on the council website. In the event that the grave digger is instructed by the Funeral Director, the grave digging fees should be invoiced to the funeral director and in the event that the client submits an interment request to the council an appropriate purchase order or official letter should be raised with the grave digging contractor instructing them to undertake the work once the customer has paid the council the interment fee. The council may consider other arrangements which require all internments to be processed directly by the council and the council would then instruct the grave digging contractor following receipt of the interment fees from the customer and or funeral director.	1	20		
17	That the council carries out a procurement exercise for the grave digging contract based on a fixed price per excavation (interment of bodies and cremated remains) to operate for a period of time (for example 2 or 3 years). The successful contractor to be issued with a formal contract of services on acceptance of the quotation. The contract should include the specification, pricing and legal and health and safety requirements for burials.	1	20		
18	That the council follows the requirements of the Public Contracts Regulations 2015 when considering and awarding contracts exceeding £25,000 (net).	2	22		
19	That unless resolved by a minute resolution and subject to a risk assessment, councillors should not be directly involved with the procurement of goods and services.	2	22		
20	That the council agrees the specification and requirements of the Christmas Lights contract and that a tender exercise be carried out in accordance with the Financial Regulations and that approval be sought from the principal authority relating to the competency of the contractor which should form part of the specification/criteria. The quotations to be recorded in the council minutes and a contract for services be drawn up, official letter or	1	23		

	purchase order following the award of the contract and in compliance with the tendering requirements as set out in the Financial Regulations.				
21	That the payment of £70.65 paid to Cllr Andrew Copeland be considered to be retrospectively approved by council or monies recovered.	1	24		
22	That the existing travel and subsistence policy for councillors be reviewed to incorporate the legal requirements of Regulation 26 of the Local Authorities (Members' Allowances) (England) Regulations 2003 (SI.2003/1021). The policy should include an appendix for a claim form that includes details to be recorded for date of the journey; journey details; start and finish mileage; total miles travelled; allowance per mile and total claim.	3	24		
23	That formal inspections of council sites/premises carried out by councillors be formally approved by minute resolution. That appropriate inspection sheets be developed and adopted to record the findings arising from formal inspections at council premises/sites carried out by council officers and members and that the inspection records be reported to the appropriate council or committee meetings. The inspections records be signed by the inspecting member or officer and that the copies be retained on file and referenced within the claim form submitted for payment.	2	25		
24	That the banking procedures be reviewed and that dual or triple authorisation be considered for the making of payments with appropriate payment limits and that the procedure be incorporated within the councils Financial Regulations. Councillors who are signatories but do not have the authority to make online payments should have view only access for audit and transparency purposes and to improve the existing internal controls. All signatories to be provided with a copy of the invoices to reduce the risk of duplicate and erroneous payments and with a clear audit trail to confirm the authorisation of the ordering and instruction for payment.	1	25		
25	That the council develops a Grant Policy and Procedure with an appendix grant application form (model grant application form can be obtained from the Yorkshire Local County Association). The grant form to include terms and conditions of the grant payments, request for copies of financial accounts to be included as part of the grant application. The applicants to submit receipts within 6 months of incurring the grant funding and to return any unused funds to the council. The forms to be formally adopted by council and to replace the existing internal grant forms.	3	26		

26	That the Responsible Financial Officer requests receipts relating to the grant payments to Thurcroft Veterans and Thurcroft Miners and that any unused funds be returned to the parish council.	3	26		
27	That the Responsible Financial Officer requests receipts relating to grants awarded to Thurcroft Hub and Sewing Group.	3	26		
28	That the council reconstructs its electronic records to ensure that VAT is recorded in the correct column and that there are VAT invoices to correspond to each individual payment where VAT is being reclaimed. The supplier/customer details to be corrected on the Scribe system.	2	27		
29	That the Clerk/RFO reviews the VAT period reclaimed to date for the two transactions received on the 20 th April 2023 and 12 th July 2023 to ensure this is the latest VAT reclaim submitted by the council.	2	27		
30	That the VAT reclaim for 2022/23 financial year be submitted to HMRC following the review of the HMRC VAT invoices.	3	27		
31	That the risks associated with role held by the Clerk/RFO and his role as a Borough Councillor representing the Thurcroft Parish be formally documented as part of the councils corporate risk register.	2	29		
32	That the council formally reviews and adopts a risk register which includes a risk rating matrix and all risks the council is exposed to (financial and non-financial). Further guidance is available from page 43 of the Governance and Accountability Practitioners Guide, see link: file (nalc.gov.uk)	1	29		
33	That a risk management policy be developed and adopted by the council that sets out the councils responsibilities in regards to risk management and procedures for updating and formally approving the corporate risk register.	1	29		
34	That the council considers adopting the Model Code of Conduct issued by the Local Government Association and recommended by NALC [National Association of Local Councils].	2	30		
35	That an Employee Code of Conduct be introduced and adopted. The code should include provision for officers to declare pecuniary interests in council contracts and procedures to manage the pecuniary interests having regards to the legal requirements of the Local	2	30		

	Government Act 1972 s117. The declaration for employee interests should be added as a standing agenda item for all council meetings.				
36	That an Anti-Fraud and Corruption Policy be developed and adopted by the council.	2	30		
37	That a Whistle Blowing Policy be developed and adopted by the council.	2	30		
38	That the councils carries out a procurement exercise prior to the renewal of the annual council insurance and that three quotes be obtained. Consideration should be given to entering into a long-term agreement with the insurance company that presents the best value for money as this will fix the insurance premium and assist the council to make savings during the period of the long-term agreement.	3	31		
39	That an internal controls policy be developed and adopted by the council that sets out the councils responsibilities relating to internal controls to comply with Regulation 6 of the Accounts and Audit Regulations 2015 and the procedure for undertaking the review taking into account the guidance referred to within the Governance and Accountability Practitioners Guide. The model internal controls checklist that can be obtained from the Yorkshire Local County Association to be attached as an appendix. The policy to include controls that the checks to be undertaken by councillors who are non-signatories to the account.	2	32		
40	That a business continuity plan be developed and adopted by the council. A template is available from the Yorkshire Local County Association	3	32		
41	That the council reviews its earmarked reserves and prepares a business case with time limited actions to justify the amount of reserves allocated to each individual project.	2	34		
42	That the council formally acknowledges the precept amount submitted to RMBC relating to the 2023/24 financial year and clarifies the error recorded at minute reference 9269 of the council meeting minutes held on the 26 th January 2023.	2	34		
43	That the council chases up the allotment fees from the Allotments Society payable for the 2022/23 financial year.	2	36		
44	That the councils booking system for hall hire and pitches be reviewed and that internal controls are introduced which requires two persons to be involved in the booking process and banking where large sums of money are being reconciled and banked.	1	36		

45	That formal booking forms and/or triplicate books be used for the hire of pitches and room/hall hire at the Gordon Bennett Memorial Hall.	1	36		
46	That an official triplicate receipt book with sequential numbering be introduced and embedded into the councils internal control procedures to record all income received by the council (excluding cemetery).	1	36		
47	That the hall hire and pitch fees be formally reviewed annually and agreed by the council in accordance with Financial Regulation 9.3.	1	37		
48	That the council voluntarily reports itself to the Police and to HMRC for loss of council funds and Financial impropriety surrounding the payment to a Employee A which does not match the payroll record and that an audit and investigation relating to the previous financial payments made to this employee be conducted by an external provider to manage the conflicts of interests and that any significant irregularities be reported to the Police and HMRC.	1	38		
49	That all employee contracts of employment be reviewed and to include provision for pay date and pay frequency. The signed contracts of employment to be retained on file for audit purposes.	1	40		
50	That all council employees sign a timesheet and hand this in to their line manager to be signed off and retained on their Personnel Files. The timesheets for the Clerk/RFO should be signed off by the appropriate Personnel Committee or Chair of the Council as the case may be who the council may appoint to sign off the timesheets in between Personnel committee meetings.	2	40		
51	That the payroll and pensions administration and HMRC reporting be outsourced to an independent payroll specialist.	1	40		
52	That the council formally records the pension contribution rates in the council minutes for audit purposes and investigates all payments relating to pension for the employee and employer to ensure they have been administered correctly.	1	41		
53	That the council ensures all eligible post-holders are enrolled into the employer pension scheme. Further guidance on pensions is available in the National Association of Local Councils legal topic note which can be obtained from the Yorkshire Local Council Association.	2	41		

54	That in the event the council continues to pay the Chairman an annual Allowance, that this be processed via the payroll and where appropriate, income tax be deducted under PAYE scheme.	2	41		
55	That the council develops and adopts a Chairmans Allowance Policy which sets out the associated expenditure incurred in connection with the role and submission of an expenditure report at year-end for audit purposes. The council may consider a system where the lump sum is not paid annually to the Chairman but in the alternative a system be introduced where claims are submitted on a formal claim form and substantiated with a receipt for re-imburement against the Chairmans Allowance budget.	3	41		
56	That improvements be made to the asset register to record the date of purchase, location, land registry reference (if applicable) replacement value for insurance purposes and the custodian and that a review of the purchase ledger be carried out for the last six years to identify the purchases for inclusion in the asset register. A breakdown of data should correspond to the values where items of assets are grouped together.	2	43		
57	That an asset register and disposal policy be developed and adopted to set out the asset management and valuation method in accordance with the requirements set out in the Governance and Accountability Practitioners Guide.	2	43		
58	That on a regular basis (in accordance with Financial Regulation 2.2) at least once in each quarter, and at each financial year end, a member other than the Chairman shall be appointed to verify bank reconciliations (for all accounts) produced by the RFO. The member shall sign the reconciliations and the original bank statements (or similar document) as evidence of verification. This activity shall on conclusion be reported, including any exceptions, to and noted by the council to the Finance & General Committee.	2	44		
59	That the figure in box 4 is amended to include the HMRC payments and Pension Contributions prior to submission for external audit. Refer to the Practitioners Guide for further guidance.	1	46		
60	That the underlying detail for the income be reviewed and updated accordingly prior to submission for external audit.	1	47		
61	That the figure recorded in box 7 be reviewed to remove any costs related to HMRC that should be recorded in box 4.	1	47		

62	That the transactions for pension contributions be located to ensure that they are correctly reported in box 4.	1	47		
63	That the explanation of significant variances document be updated to include an explanation that will be required for reporting purposes to the external auditor.	1	47		
64	That the creditors and debtors outstanding at 31 st March 2023 be reviewed and updated accordingly prior to submission for external audit.	1	47		
65	That the council publishes the procurement information in compliance with the publication requirements set out in the Transparency Code.	3	50		
66	That the local authority land information be published on the website in compliance with the publication requirements set out in the Transparency Code.	3	51		
67	That the council publishes the information relating to grants to voluntary, community and social enterprise organisations in compliance with the publication requirements set out in the code.	3	52		
68	That the publication information relating to car parking spaces be reviewed and updated accordingly in compliance with the requirements set out in the transparency code.	3	53		
69	That the publication information relating to the pay multiple be published in compliance with the requirements of the Transparency Code.	3	54		
70	That the information relating to waste contracts be published on the website in compliance with the publication requirements set out in the Transparency Code.	3	54		
71	That the signed annual governance statement and accounting statement and external audit certificate be published on the website relating to the 2017/2018, 2018/2019, 2019/2020, 2020/21 financial years.	2	55		
72	That the signed external audit certificate relating to the 2021/22 financial year be published on the website.	2	55		
73	That the council adopts and publishes the Model Publication Scheme using the model template issued by the Information Commissioners Officer, see link: template-parish-councils-20211029.doc (live.com)	2	55		

That the council ensures all business to be transacted at council meetings is identified on the agenda and that public notice is given in accordance with the requirements of the Local Government Act 1972. Further advice on meetings and meetings summons can be obtained from the Yorkshire Local County Association.

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-----End of Report -----