

Internal Audit Report

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

Name of council:	GROBY		
Name of Internal Auditor:	Catherine Camp	Date of report:	
Year ending:	31 March 2022	Date audit carried out:	18 th May 2022

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

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

To the Chairman of the Council:

I met with Sue Hackett (Clerk and RFO) on 18th May 2022 to carry out the Internal Audit for Groby Parish Council. The Internal Audit was carried out remotely by email and "zoom" video-conferencing. I would like to take this opportunity to thank Sue for her cooperation and assistance in delivering the audit.

I first examined the publicly available information displayed on the council's website including policies, procedures, agendas, minutes, financial and other records.

I note that although minutes are available on the website for full Council meetings, they are not available for all committee meetings. Initially this made it difficult to follow the decision making progress, however it was explained that any committee recommendation to be ratified by full council was included on the full council agenda and the decision minuted as part of the full council minutes. For the sake of clarity I suggest that it might help to explain why minutes are not included on the website for all committees.

I sought evidence that the previous years Internal and External Audit reports had been properly reported and actioned by the council. Although the Council obviously reviewed them, the content of the Audit reports and actions taken were minuted in closed session so were not available for scrutiny.

Governance and Accountability for Small Authorities – A Practitioners Guide March 2021(England) states with regard to Annual Governance Statement Assertion 7 –

“An authority should consider the matters included in both internal and external audit reports and decide what action it needs to take to prevent recurrence of the issues raised. The consideration and decisions should be included in formal minutes”.

For the sake of transparency this needs to be discussed in open session and included in the formal minutes. (note that personal details need to be redacted to comply with GDPR in relation to emails from elector/s to the External Auditor)

re: **Confidential Business**

The minutes of a meeting of a parish council must be open for inspection by the public as set out under LGA 1972, s 228. Because of section 228, there is no scope for “confidential minutes” of parish council meetings.

If a parish council needs to discuss a confidential matter, the press and the public can be excluded from the meeting under the 1960 Act, but the minutes have to be open to inspection afterwards.

Although the form and content of minutes are not prescribed in legislation the decisions reached in closed session of the council need to be included in the minutes and recorded in such a way to ensure that confidentiality is not breached.

I note that payroll is managed by an external provider, and that contracts are in place and the council is compliant with line G of the AIAR.

Although I am satisfied that a robust budgeting process was followed, the budget is not available on the website, nor is any financial information apart from the AGAR.

Although it is not mandatory, I would suggest that to ensure greater transparency the Budget, Bank reconciliations, the Asset Register and Insurance schedule and Risk Assessments (including RoSPA playground reports) should all be available on the website. In addition both the Internal Audit report (AIAR) and narrative report, and should be made available.

(I understand that the final External Audit report for 2020/21 is still awaited as a result of correspondence received from an elector in relation to 2020/21 and/or previous years.)

It was noted that Councillors do not have a generic email address associated with the Parish Council. This needs to be addressed to ensure that the council comply with GCPR regulations and GDPR policies need to be adopted for this council.

The Clerk is to be commended for her hard work in putting policies in place, and for ensuring that the Council is operating correctly and I am happy to be able to confirm that Groby Parish Council have met the control objectives in all significant respects throughout the financial year.

Yours sincerely,



Mrs Catherine Camp CiLCA; FSLCC
Internal Auditor to the Council

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

	Year ending 31 March 2021	Year ending 31 March 2022
1. Balances brought forward	124,067	99,472
2. Annual precept	179,438	186,001
3. Total other receipts	33,644	36,646
4. Staff costs	119,655	129,307
5. Loan interest/capital repayments	0	0
6. Total other payments	118,022	111,132
7. Balances carried forward	99,472	81,680
8. Total cash and investments	116,524	92,631
9. Total fixed assets and long-term assets	628,527	637,791
10. Total borrowings	0	0

The proper practices referred to in Accounts and Audit Regulations are set out in *JPAG Practitioners Guide 2021*. It is a guide to the accounting practices to be followed by local councils and it sets out the appropriate standard of financial reporting to be followed. A copy of the guide is available for free download from:

<https://www.leicestershireandrutlandalc.gov.uk/uploads/practitioners-guide-2021-1.pdf>