



## HARTPURY PARISH COUNCIL

Internal auditor's report for the year ended 31 March 2024

Name of Auditor: Liz Dowie

**GAPTC internal audits comply with the proper practices outlined in the Governance & Accountability for Smaller Authorities – A Practitioners' Guide and the Accounts and Audit Regulations 2015.**

The GAPTC internal audit reviews and reports on whether the systems of financial and other internal controls over its activities and operating procedures are effective. The audit tests a variety of documents, including agendas and minutes, policies, insurance and risk management processes, to ensure Council meets the requirements set out in the Annual Internal Audit Report in the Annual Governance & Accountability Return. The internal audit does not involve the detailed inspection of all records and transactions of an authority in order to detect error or fraud.

Our auditors are independent of the Council and are competent to be able to carry out the requirements of the internal audit service.

**NOTE The auditor will complete the Annual Internal Audit Report (AIAR) page on the Annual Governance & Accountability Return (AGAR). The AIAR informs the Annual Governance Statement (AGS) assertions on the AGAR, so when council reviews the AGS, the responses must reflect the AIAR report.**

### 1. Council working documents

Ref	Test	Meets reqmts? Yes, No or N/A	Internal Auditor's comments/recommendations	Evidence
1.1	Have Standing Orders been a) tailored to council?	Yes		Website, Standing Orders Minutes 18 <sup>th</sup> May 2023 item 6

	b) reviewed using the most recent version? c) minuted?	Yes		
		Yes	Annual Governance Statement Assertion 1	
1.2	Have Financial Regulations been a) tailored to council? b) reviewed using the most recent version? c) minuted? (Objective B)	Yes Yes Yes		Website, Financial Regulations Minutes 18 <sup>th</sup> May 2023 item 6
			Annual Governance Statement Assertion 1	
1.3	Does the council a) give grants? b) have a grant-awarding policy?	Yes Yes	<b>Recommend</b> that Council reviews the grant awarding policy was which was adopted in 2020.	a)Cashbook spreadsheet – one-off grant to Village Hall Grant application Minutes 4 <sup>th</sup> March 2024 item 7.5 b)Website, Grant Awarding Policy
1.4	Have items/services been competitively purchased in accordance with Financial and/or Procurement Regulations?	Yes	Bus shelter works – multiple quotes sought, 1 received  Insurance – 2 quotes obtained  Grass cutting – multiple quotes sought, 1 received  Annual Governance Statement Assertion 2 & 3	Minutes 18 <sup>th</sup> May 2023 item 21 4 <sup>th</sup> September 2023 item 10 Quotation £1,790  Minutes 4 <sup>th</sup> September 2023 item 6.7  Minutes 4 <sup>th</sup> March 2024 item 7.4
1.5	Code of conduct reviewed in the last 2/3 years?	Yes	Annual Governance Statement Assertion 3	Minutes 18 <sup>th</sup> May 2023 item 5

## 2. Finance

Ref	Test	Meets reqmts? Yes, No or N/A	Internal Auditor's comments/recommendations	Evidence
2.1	Has the General Power of Competence been adopted (e.g. a minute reference), if Council qualifies?	Yes	Annual Governance Statement Assertion 3	Minutes 18 <sup>th</sup> May 2023 item 16.7
2.2	S137 a) is there a separate account for payments? b) are totals within statutory limits? (for Council's that do not held General Power of Competence)	N/A	Annual Governance Statement Assertion 1 & 3	
2.3	Is there an annual council authorisation of Direct Debit list and Standing Orders? (Objective B)	N/A	No direct debits or standing orders.  Annual Governance Statement Assertion 1	
2.4	Was Petty Cash expenditure approved, if any? (Objective F)	N/A	No petty cash held  Annual Governance Statement Assertion 1	Risk Management Strategy

2.5	Is all expenditure supported by VAT invoices, if applicable? (Objective B)	Yes	Annual Governance Statement Assertion 1	Sampling exercise
2.6	VAT – a) recorded in accounts b) reclaimed? (Objective B)	Yes Yes	Annual Governance Statement Assertion 1	a)Cashbook spreadsheet  b)VAT claim for £318.34 – May 2023

### 3. Risk management

Ref	Test	Meets reqmts? Yes, No or N/A	Internal Auditor's comments/recommendations	Evidence
3.1	Insurance policy a) in place? b) cover reviewed to ensure still fit for purpose? (Objective C)	Yes Yes	Zurich policy w.e.f 16 <sup>th</sup> September 2023  Annual Governance Statement Assertion 5	a) Insurance schedule b) Minutes 18 <sup>th</sup> May 2023 item 11 4 <sup>th</sup> September 2023 item 6.7
3.2	Copy of Risk Management policy a) adopted? b) reviewed annually by Council? (Objective C)	Yes Yes	Annual Governance Statement Assertion 5	a) Website, Risk Management Strategy b) Minutes 18 <sup>th</sup> May 2023 item 10
3.3	Asset register a) reviewed	Yes		a)Minutes 18 <sup>th</sup> May 2023 item 9 b) Website, Asset Register

	regularly? (Objective H) b) published on website? (Objective L)	Yes	Annual Governance Statement Assertion 5	
3.4	Evidence that assets a) have been inspected for risk? b) reported in minutes? c) any actions undertaken? (Objective C)	Yes Yes, but see comments Yes	Annual check of all assets is carried out and actions minuted. In addition, weekly defibrillator checks are undertaken.	a) b) &c) Minutes 18 <sup>th</sup> May 2023 item 7 3 <sup>rd</sup> July 2023 item 6.5 4 <sup>th</sup> September 2023 item 6.6 4 <sup>th</sup> March 2024 item 7.3
3.5	Evidence that internal controls a) take place? b) are documented? c) minuted? as per Council's Financial Regulations/Standing Orders (Objective B)	Yes Yes Yes	Annual Governance Statement Assertion 5	a)Minutes 18 <sup>th</sup> May 2023 item 7 Risk Management Strategy b)Completed internal control checklists for July, September, and January. c)Minutes 3 <sup>rd</sup> July 2023 item 6.3 4 <sup>th</sup> September 2023 item 6.3 4 <sup>th</sup> January 2023 item 6.3
3.6	Bank reconciliations are on agenda to be considered by Council? (Objective I)	Yes	Routine agenda item  Annual Governance Statement Assertion 1	Minutes generally Risk Management Schedule Bank reconciliations July and September 2023
3.7	Review of a) investments? b) bank mandates (signatories on	Yes Yes		Minutes 18 <sup>th</sup> May 2023 item 16.4 Minutes 18 <sup>th</sup> May 2023 item 16.6

	bank accounts)? (Objective B/C)		Annual Governance Statement Assertion 1	
3.8	If bank cards in use, are proper procedures in place? (Objective B)	N/A	Annual Governance Statement Assertion 1	
3.9	Are a) physical records secure? b) electronic records backed up?	Yes Yes	Kept securely at Clerk's home Backed up to USB stick  Annual Governance Statement Assertion 5	a)Discussion with Clerk b)Risk Management Strategy Document

#### 4. Budgetary controls

Ref	Test	Meets reqmts? Yes, No or N/A	Internal Auditor's comments/recommendations	Evidence
4.1	Was a budget properly for the year under review a) prepared? b) adopted? c) minuted? (Objective D)	Yes Yes Yes	Annual Governance Statement Assertion 1	a) Budget document b) &c) Minutes 5 <sup>th</sup> January 2023 item 6.6
4.2	a) Were the earmarked	Yes		a)&b)Budget document

	<p>objectives of the reserves identified in the budget, if any?</p> <p>b) Were the general reserves reasonable? (Objective D)</p>	Yes	<p>General reserves equate to approximately 8 months of budgeted expenditure.</p> <p><a href="#">Annual Governance Statement Assertion 1</a></p>	
4.3	Was the precept demand for the year under review properly minuted in full council?	Yes		Precept demand dated 17 <sup>th</sup> January 2023 Minutes 5 <sup>th</sup> January 2023 item 6.6
4.4	<p>Did the council</p> <p>a) regularly compare budget vs spend (as detailed in the financial regulations)</p> <p>b) and evidenced in the minutes? (Objective D)</p>	<p>Yes</p> <p>Yes</p>	<p>Routine agenda item at all meetings.</p> <p><a href="#">Annual Governance Statement Assertion 1</a></p>	<p>a)&amp;b)Minutes 3<sup>rd</sup> July 2023 item 6.2 4<sup>th</sup> March 2023 item 7.2 Budget vs Spend report 31<sup>st</sup> March 2024</p>
4.5	Are any significant variances from budget reported?	Yes	<p>Any anticipated overspends are approved in advance of making payments with the budget document noted accordingly. E.g. repair of bus shelter</p> <p><a href="#">Annual Governance Statement Assertion 2</a></p>	Minutes 4 <sup>th</sup> September 2023 item 10

## 5. Payroll

Ref	Test	Meets reqmts? Yes, No or N/A	Internal Auditor's comments/recommendations	Evidence
5.1	Do all staff have a contract of employment?	Yes	<a href="#">Annual Governance Statement Assertion 3</a>	Clerk's contract dated 1/11/2015
5.2	Do salaries paid agree with those approved by Council? <i>(Objective G)</i>	Yes	<a href="#">Annual Governance Statement Assertion 1</a>	Minutes 5 <sup>th</sup> January 2024 Payslips January, March 2024
5.3	Has Council a) registered as an employer with HMRC? b) have PAYE / NIC been properly dealt with (including year-end procedures)? <i>(Objective G)</i>	Yes Yes		Payroll records
5.4	Are Councillor's allowances and expenses properly authorised & controlled, if any?	N/A	No councillors' allowances. Any expenditure incurred by councillors on behalf of the Council is reimbursed and approved in the same way as other payments. <a href="#">Annual Governance Statement Assertion 1</a>	Cashbook spreadsheet.
5.5	Pension provision – eligible employees a) offered pension scheme? b) outcome minuted?	See comments Yes	Pension provision is not specified in current contract, but Clerk is in the process of updating the contract. <a href="#">Annual Governance Statement Assertion 3</a>	Staff contract Discussion with Clerk

5.6	<p>Is Council</p> <p>a) registered with the Pension Regulator for auto-enrolment pensions?</p> <p>b) Has auto-enrolment registration with Pension Regulator been reviewed (required every 3 years)</p>	<p>Yes</p> <p>Yes</p>	<p>Re-declaration due January 2025</p>	<p>Checked at internal audit 2022-23</p>

## 6. Year-end procedures

Ref	Test	Meets reqmts? Yes, No or N/A	Internal Auditor's comments/recommendations	Evidence
6.1	Are debtors and creditors recorded properly on separate balance sheet if using Income & Expenditure reporting? (Objective J)	N/A		

6.2	Does Council as a whole consider the year-end accounts in addition to 6.5? (Objective J)	Yes	Annual Governance Statement Assertion 1	Minutes 18 <sup>th</sup> May 2023 item 16.3
6.3	Minute confirming that council is eligible for Certificate of Exemption (only for councils with a turnover of less than £25,000) (Objective K)	Yes	Annual Governance Statement Assertion 1	Minutes 18 <sup>th</sup> May 2023 item 17.3 3 <sup>rd</sup> July 2023 item 6.4
6.4	Annual Governance Statement, section 1 of Annual Return, approved by whole council (with separate minute number from Section 2 below)?	Yes	Annual Governance Statement Assertion 3	Minutes 18 <sup>th</sup> May 2023 item 17.1
6.5	Annual Statement of Accounts, section 2 of Annual Return, approved by whole council (with separate minute number from Section 1 above)?	Yes	Annual Governance Statement Assertion 3	Minutes 18 <sup>th</sup> May 2023 item 17.2
6.6	Are all sections of the Annual Governance & Accountability	Yes		Website, External Audit

	Return published on the website? (Objective L/N)		<a href="#">Annual Governance Statement Assertion 3</a>	
6.7	Did council correctly provide for the exercise of public rights? (Objective M)	Yes	Dates set for 5 <sup>th</sup> June to 14 <sup>th</sup> July 2023 and minuted  <a href="#">Annual Governance Statement Assertion 4</a>	Minutes 18 <sup>th</sup> May 2023 item 17.4 3 <sup>rd</sup> July 2023 item 6.4
6.8	Previous internal audit report reviewed by council and action taken where recommended?	Yes		Minutes 18 <sup>th</sup> May 2023 item 16.5
6.9	Previous external audit report (for councils with turnover over £25,000) reviewed by council and action taken where recommended?	N/A		

## 7. Other matters

Ref	Test	Meets reqmts? Yes, No or N/A	Internal Auditor's comments/recommendations	Evidence
7.1	Policies in place for compliance with GDPR, such as Data Protection	Yes		Privacy notices for general public, and Staff and Councillors

	Policy for Staff & Councillors and for the public?		Annual Governance Statement Assertion 3	
7.2	Is the Council a Managing Trustee?	No	Annual Governance Statement Assertion 9	
7.3	Do trustees meet at least once a year and publish separate accounts? (Objective O)	N/A	Annual Governance Statement Assertion 9	
7.4	Website Accessibility Statement on website home page?	Yes	Annual Governance Statement Assertion 3	Website, Accessibility Statement
7.5	Did council formally appoint GAPTC as the Internal Auditor?	Yes	<b>Recommend</b> that Council confirms that the Internal Auditor is competent and independent of Council when appointing them Annual Governance Statement Assertion 6	Minutes 4 <sup>th</sup> September 2023 item 6.4
7.6	Are registers up to date for council-owned burial grounds (if any) and purchase of Exclusive Rights of Burials certificate completed?	N/A	Annual Governance Statement Assertion 3	

## 8. Procedures

Ref	Test	Meets reqmts? Yes, No or N/A	Internal Auditor's comments	Evidence
8.1	<p>Minutes:</p> <p>a) DPIs or other interests recorded?</p> <p>b) published on website in draft form within one month (mandatory for councillors with a turnover of less than £25,000)? <i>(Objective L)</i></p> <p>c) initialled on each page and final page signed?</p>	<p>Yes</p> <p>Yes</p> <p>Yes</p>	<p>a) Routine agenda item</p> <p><a href="#">Annual Governance Statement Assertion 3</a></p>	<p>a) Minutes generally</p> <p>b) Website, Minutes</p> <p>c) Minutes 18<sup>th</sup> May 2023</p>
8.2	<p>List of members'</p> <p>a) responsibilities <i>(Objective L)</i> and</p> <p>b) interests held and published on the website?</p>	<p>Yes, but see comments</p> <p>Yes</p>	<p>Councillors' responsibilities are recorded at the Annual Meeting. <b>Recommend</b> that these are also recorded against Councillors' names on the website.</p> <p><a href="#">Annual Governance Statement Assertion 3</a></p>	<p>Minutes 18<sup>th</sup> May 2023 items 7 &amp; 8</p> <p>Website, Councillors</p>
8.3	Agendas signed and displayed on website 3 clear days' prior to	Yes		Website, Agendas

	meeting? (Objective L)		Annual Governance Statement Assertion 3	
8.4	Summons issued in proper format?	Yes		Agenda, 6 <sup>th</sup> November 2023 – Councillor summons