

Lincolnshire Association of Local Councils

Internal Audit Report.

This audit report is to read in conjunction with the Annual Internal Audit Report in the Annual Governance and Accountability Return.

Council:	Silk Willoughby Parish Council
Internal Auditor:	Rachel Popplewell
Year Ending:	31 March 2024
Date of Report	

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 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.

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To the Chair of Silk Willoughby Parish Council.

I have examined council business including policies, agendas & minutes, accounting and financial statements and other documents relevant to this audit.

Several areas were identified where action was required in the immediate future other actions are offered as suggestions for improvement or considered to be best practice. I have discussed these with the Clerk, see below.

Council management and activity.

- Standing Orders & Financial Regulations are in place - to be reviewed this year.
- Terms of Reference is in place for the Staffing Committee, members are to be appointed at the Annual Meeting. Best Practice would be for the Chair to remain impartial in all staffing matters, and NOT be appointed to Staffing Committee. Staffing committee to carry out Clerks Annual Appraisal.
- Agendas and Minutes are on the website, a reminder that the Clerk takes the notes of the meeting, recording any Resolutions they are not a verbatim account. Notes are then signed as minutes at the next meeting.
- Online banking is used by the Council with only the Chair able to process payments. Consider regular payments being put onto a standing order and re-introduce cheque payments to reduce the risk to the Council. (refer to Financial Regulations and Internal Controls)
- All Councillors would benefit from attending training sessions, to get a better understanding of their roles & responsibilities. For example;
 - a. All correspondence goes through the Clerk.
 - b. All decisions must be made during a Council meeting.
 - c. Councillors cannot act alone on decisions or spending.
- Council has received a large sum of money, consider a Reserves/Investment Policy. This may include moving funds to another bank to reduce the risk. (the money does come with a caveat).

Summary

After talking with the Clerk most policies are in place and available via the website.

Recommendation for training and a better understanding of the Financial Regulations, Standing Orders and Roles & Responsibilities for all Councillors.

The Clerk would like to do her CiLCA qualification, Councillors to discuss this and consider increasing the Clerks paid hours to accommodate this.

Yours sincerely

R Popplewell

Rachel Popplewell

Internal Auditor

Lincolnshire Association Local Councils

24.04.2024