

Saxilby with Ingleby Parish Council - Internal Audit Checklist 2020/21¹

Internal Audit undertaken by: Sandra Waller

Name of Council	Saxilby with Ingleby Parish Council	Name of Clerk	Elaine Atkin
No. of Elected Members	14	Name of RFO (if different from above)	
Quorum	5	Precept Demand 2020/21	£196,080
Electorate	3,446 as at Jan 2021		

	Key Governance Review	Y/N	Comments & Recommendations	RISK			Date of audit
				Low	Med	High	
1	Standing Orders (Tailored and Reviewed)	Y	Approved June 2020. Full Council meeting. Minute 080/20. Version 7.3	X			30/9/2020
2	Financial Regulations (Tailored and Reviewed)	Y	Approved 2nd Sept 2020. Full Council Meeting. Version 5.5. Expediency in decision making to be improved.	X			30/9/2020
3	Terms of Reference (Committees/Working Groups)	Y	Due to be considered at Full Council Oct 2020. Revisit at later Audit		X		30/9/2020
4	Code of Conduct (Elected Members)	Y	Due to be reviewed at Full Council Oct 2020. Revisit at later Audit		X		30/9/2020
5	Complaints Procedure (Tailored and Reviewed)	Y	Overdue due to Covid 19. Revisit at later Audit		X		30/9/2020
6	Insurance Cover <ul style="list-style-type: none"> ● Reviewed Annually ● Certificate(s) viewed & valid ● Employees Liability Cover ● Other 	Y	Agreed 16/9/2020. Renewal date of 1/10/20. Increased Fire Cover. Schedule seen. Lift Insurance (renewal due 16/10/20) and Vehicle Insurance in place.	X			30/9/2020

¹ To be used as a living document, updated with each audit

	Transparency	Y/N	Comments & Recommendations	RISK			Date of audit
				Low	Med	High	
7	Internal Controls (Statements or Review)		Covered under Section 21 of this document				
8	Investment Strategy	N	No funds available for long term investment. Excess budget will be spent during the financial year, any excess at year end is allocated as per the council resolution.	X			30/9/2020
9	Publication Scheme (Reviewed)	Y	Needs to be updated (Covid 19). Revisit when appropriate due to pandemic. (Approved Feb 2021)		X		30/9/2020
10	Risk Assessment (Statement or Review)	Y	Updated 2/9/2020. Actions to be taken re village trees and bus shelters. Needs to be reviewed quarterly		X		30/9/2020
11	Pay Policy (Staffing – Reviewed)	Y	Procedure in place but this needs reviewing. A full Pay Policy needs writing and passing by the Council. (Approved by Council in March 2021)		X		30/9/2020
12	Spending Authorised	Y		X			30/9/2020
13	Procurement – Correctly Administered	Y		X			30/9/2020
14	Organisational – (Agendas/Minutes/Financial Reporting)	Y		X			30/9/2020
15	Land and Assets (Reviewed)	Y	Revisit Asset list and update once fire renovations have been completed.	X			30/9/2020
16	Adequate GDPR policy/procedures in place	Y	Reviewed and approved 2/9/2020 Version 1.2	X			30/9/2020
17	Local Council Award Scheme: Attained/Interest	Y	Foundation level awarded. Certificate awaited	X			30/9/2020

18	Other		N/A				
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	Accounting	Y/N	Comments & Recommendations	RISK			Date of audit
				Low	Med	High	
19	Cashbook maintained and up to date	Y	Monthly close down of accounts procedure - Omega	x			28/10/20
20	Arithmetically Correct (Checks/balance)	Y	Part of computer reconciliation at month end	X			28/10/20
21	Evidence of Internal Control	Y	Financial Regulations. Transparency Regulations. Relevant Authorisations carried out by councillors checked by Auditor.	X			28/10/20
22	VAT: <ul style="list-style-type: none"> Recorded Reclaimed 	Y	VAT automatically recorded on Omega accounting system. Online submission for reclaiming via Omega.	X			28/10/20
23	All Payments Supported by Invoices	Y	Checked by Internal Auditor	X			28/10/20
24	S.137: <ul style="list-style-type: none"> Recorded separately within accounts Within legal threshold limits Spend in accordance with legislation 	Y	Applications approved at Full Council with Minute reference. Grants kept within Government guidance. Separate spreadsheet kept of S.137 Grants kept for each Financial Year	X			28/10/20

	Income Control	Y/N	Comments & Recommendations	RISK			Date of audit
				Low	Med	High	
25	Income properly recorded and banked promptly	Y	When Bar open: Daily takings spreadsheet updated daily. Includes Bar Income, cash & card; Room Hire, cash card & cheque; Burial Income, cash card & cheque. BACS payments: Grasscutting, school grounds maintenance, West Lindsey bin emptying & litter picking, Library SLA. Regular Stocktake. Wastage accounted for. Reconciled with Bank Statement. Banked regularly	X			28/10/20
26	Precept demand/calculations receipt	Y	Calculations seen. Minuted and approved by Full Council. Reconciled with Bank Statement.	X			28/10/20
27	Effective security of cash and cash transactions	Y	Cash handling procedure approved Feb 2020. Insurance Policy specifies that over a certain amount then 2 people are required to take to the Post Office.	X			28/10/20

	Petty Cash SPC does not use Petty Cash	Y/N	Comments & Recommendations	RISK			Date of audit
				Low	Med	High	
28	Petty Cash Account used/authorised		N/A				
29	Petty Cash Spending supported by VAT receipt(s)		N/A				
30	Petty Cash reported to Council		N/A				
31	Petty Cash Float reconciled/reimbursed		N/A				
32	Other		N/A				

	Year End Process	Y/N	Comments & Recommendations	RISK			Date of audit
				Low	Med	High	
33	Correct Accounting Basis	Y	Income and Expenditure system used	X			3/3/21
34	Bank statements reconcile to ledger	Y	RBS checklist sent in February in preparation for the year end process. The monthly close down procedures throughout the year using the Omega accounting system provide regular checks.	X			3/3/21
35	Robust Audit Trail evident	Y	RBS/Omega	X			3/3/21
36	Debtors and Creditors Recorded	Y	RBS/Omega	X			3/3/21
37	Other		N/A				

	Bank Reconciliation	Y/N	Comments & Recommendations	RISK			Date of audit
				Low	Med	High	
38	Regular bank statement reconciliation	Y	Part of monthly closedown actions. Finance Committee approve monthly.	X			3/3/21
39	Balancing entries (adjustments) explained	Y	Part of Omega process.	X			3/3/21
40	Bank mandate up to date	Y	All Bank account signatories need to be reviewed as a matter of urgency. However the restrictions of the Pandemic are making this difficult to facilitate. Furthermore given the change of Councillors in recent months there are a limited number of councillors who are currently signatories on the bank		X		3/3/21

			mandates.				
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	Budget	Y/N	Comments & Recommendations	RISK			
				Low	Med	High	
41	Annual budget in support of precept	Y	Annual budget prepared by the Finance Committee and agreed in January each year by the Full Council	X			3/3/21
42	Earmarked reserves	Y	A robust Reserves policy is required. Ringfenced Reserves Earmarked Reserves(No capital spending planned) General Reserve £15K	X	X X		3/3/21
43	Unexplained budget variances reported to Council	Y	Income & Expenditure Report is provided to Council on a monthly basis. Any necessary emergency spending is reported to Council.	X			3/3/21
44	Precept Demand properly minuted	Y	Agreed at the January meeting by the Full Council and signed and minuted.	X			3/3/21

	Asset Control	Y/N	Comments & Recommendations	RISK			Date of audit
				Low	Med	High	
45	Register of Assets <ul style="list-style-type: none"> Reviewed Up to date 	Y	Reviewed on an annual basis at the year end. A thorough audit is currently due following the fire last May at the community centre	X			3/3/21
46	Assets Inspected and Health & Safety Issues Considered	Y	Annual Health and Safety Audit carried out annually by Stallard Kane in March. The council carries out regular checks: machinery(daily); play area(weekly), ladders etc. Annual external inspection of play areas and football pitches. Bus shelters and benches (annual). Trees - annual inspection required, however it is currently unclear which trees the council is responsible for, this does need investigating and a map	X	X		3/3/21

	Proper Process/Practice	Y/N	Comments & Recommendations	RISK			Date of audit
				Low	Med	High	
47	Employee posts properly recorded <ul style="list-style-type: none"> • Proper Officer (Clerk) & RFO • Assistant Clerk • Grounds Manager • Grounds staff • Community Centre Manager • Bar Supervisor • Bar & Centre staff 	Y	Job descriptions are in place. An Annual HR review is carried out by Stallard Kane, an external provider. There is a pay policy in place.	X			3/3/21
48	List of Members Interests recorded/displayed on website	Y	Councillors are regularly reminded to update this if there are any changes.	X			3/3/21
49	Agenda Documents Correct	Y	Available to the general public on the website	X			3/3/21
50	Minutes Correct/Signed	Y	Draft copy available on the website. Hard copy (signed) kept in the office (seen by auditor), scanned copy on the office network	X			3/3/21
51	Purchase Order System used/correct	Y	Dated and initialled.	X			3/3/21
52	Purchasing Authorised in line with Financial Regulations/limits (and within budget)	Y	Anything above specified limits in the Financial Regulations approved by full council.	X			3/3/21
53	Council operating within legal powers	Y		X			3/3/21
54	Delegation Limits <ul style="list-style-type: none"> • Set out in Financial Regulations • Adhered to • Reported adequately 	Y		X			3/3/21

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	Risk Management	Y/N	Comments & Recommendations	RISK			Date of audit
				Low	Med	High	
55	Evidence of unusual activity		Not applicable	X			3/3/21
56	Annual Risk Assessment undertaken (as a minimum)	Y	Carried out annually and when events take place throughout the year - eg 5K, Christmas Service Annual review/Risk Assessment of trees and street furniture required.	X			3/3/21
57	Insurance Cover <ul style="list-style-type: none"> ● Reviewed Annually ● Public Liability Cover ● Employees Fidelity Guarantee ● Key person cover ● Councillor age reviewed/recorded 	Y	Updated annually. Council review annual requirements, consider quotes and recommendation from insurance broker. The council approves insurance cover. Councillor age not recorded on current insurance policy)	X			3/3/21
58	Financial Controls and procedures documented	Y	All cash handling procedures, payroll procedures and income and expenditure policies reviewed annually and approved at full council.	X			3/3/21
59	Regular financial reporting to Council (in line with Financial Regulations)	Y	This is done on a monthly basis	X			3/3/21
60	Reporting of bank balances minuted	Y	Approval of bank reconciliation statements completed at the monthly Finance Committee meeting. Reported on the Parish Council website	X			3/3/21
61	S.137 (and other grants) ratified/minuted	Y	Reported in the full Council minutes and separate records kept of grants awarded	x			3/3/21

	Charities	Y/N	Comments & Recommendations	RISK			Date of audit
				Low	Med	High	
62	Accounted for separately		N/A				
63	Independently Audited		N/A				
64	Returns filed within legal time limits		N/A				

	Payroll & HR	Y/N	Comments & Recommendations	RISK			Date of audit
				Low	Med	High	
65	Contracts of employment for all staff	Y	Held on office network	X			3/3/21
66	Proper procedures for payroll, PAYE & NI	Y	Saul Fairholm (external payroll provider) calculates amounts based on figures provided by the Parish Council, they also notify the council of amounts due to HMRC and calculate and manage pension contributions	X			3/3/21
67	PAYE & NI payments verified	Y	As above - Saul Fairholm	X			3/3/21
68	Approval of salaries and increments	Y	Initially personnel committee , then to full council for approval	X			3/3/21
69	Approval of expense claims	Y	Clerk's expenses approved by Chairman (saved in Payroll folder on network); other staff expenses checked by Clerk (and verified against invoices where appropriate)	X			3/3/21
70	Minimum wage threshold met	Y	Saul Fairholm will advise when the legislation changes	X			3/3/21

71	HR procedures and policies adopted/reviewed	Y	There is an Annual Review of policies. Stallard Kane advise on all aspects of HR Procedures and Policies and on Employment Law. The grievance policy is currently under review.	X			3/3/21
72	Training policy and record for staff/elected Members	Y	There is a Training and development policy for both Councillors and Officers. This is reviewed annually and approved by the full council. Councillors are all encouraged to attend training relevant to the role within the council. A matrix to record training is to be put in place.	X			3/3/21
73	Qualified Clerk	Y	CiLCA qualified Clerk and Assistant Clerk	X			3/3/21
74	Annual appraisal undertaken		The Clerk's annual appraisal is carried out by members of the Personnel Committee. The Clerk carries out the appraisals for the Assistant Clerk, the Grounds Manager, Community Centre Manager. Appraisals for other staff are being considered. Any training issues highlighted will be addressed.	X			3/3/21
75	Job description up to date/reviewed	Y	This is part of the appraisal system. This is to be reviewed in the coming year	X			3/3/21
76	H&S review of staff workstation & PC equipment undertaken		There is an annual workstation assessment. However given that the past year has involved the Clerk and the Assistant Clerk working from home for the majority of the time (due to the pandemic and the Community Centre Fire) this will not have been carried out. There have been issues with facilitating homeworking in an ergonomically correct way		X		3/3/21

	General	Y/N	Comments & Recommendations	RISK			Date of audit
				Low	Med	High	
77	Have previous audit issues been addressed	Y	The External Audit carried out in 2020 showed that there were no issues to address. Any Internal Audit issues that arise are reported to the Finance Committee and addressed on an ongoing basis. There is a robust system in place	X			3/3/21
78	Eligible to adopt GPC	N	Not eligible as 2/3 of Councillors need to be elected	X			3/3/21
79	Back up of files adequate	Y	Server backup to the cloud. Instructions for accessing files from the backup.	X			3/3/21
80	Storage of files (paper and electronic) adequate	Y	Generally adequate. Fireproof Safe required for the Burial Books		X		3/3/21
81	Arrangement for inspection of public records adequate	Y		X			3/3/21

	Burial Authority	Y/N	Comments & Recommendations	RISK			Date of audit
				Low	Med	High	
82	Income for burials/permits balance	Y	Audit trail for burials income	X			3/3/21
83	Fees charged in accordance with approved rates	Y	Rates are currently being reviewed, to accommodate testing of headstones etc	X			3/3/21
84	A legible plan of all burials is evident and maintained	Y	The Council has a spreadsheet showing a map of the burial ground	X			3/3/21
85	Statutory records kept/stored safely	Y	The registers are online. Statutory records and originals are locked away. A fireproof safe is required at some point. Needs to be budgeted for	X			3/3/21
		Y	Checklists are in place to ensure that all	X			3/3/21

86	All interred ashes have Certificates of Cremation		correct procedures are followed				
87	Permits properly documented and stored	Y		X			3/3/21

	Allotment Authority SPC does not currently have allotments	Y/N	Comments & Recommendations	RISK			Date of audit
				Low	Med	High	
88	Income for allotment rentals balance		N/A				
89	Fees charged in accordance with approved rates		N/A				
90	Up to date occupancy details kept and securely retained		N/A				
91	Agreements/licences issued to all plot holders		N/A				
92	Other		N/A				

	Market Authority SPC is not a market authority	Y/N	Comments & Recommendations	RISK			Date of audit
				Low	Med	High	
93	Income for stall hire balances		N/A				
94	Fees charged in accordance with approved rates		N/A				
95	Up to date occupancy details kept and securely retained						

96	Statutory records kept/stored safely		N/A				
97	Agreements/licences issued to all stall holders		N/A				
98	Other		N/A				