

Sarah Kearney
Clerk to Shipton on Cherwell Parish Council
22 Exeter Road
Kidlington
OX5 2DY

9th May 2024

Elaine Anstee
16 Foxwood
Aston
Oxfordshire
OX18 2DZ

Dear Sarah,

Internal Audit – 2023/24 For the Attention of the Parish Council

I have carried out an internal audit review, acting independently, proportionally and basing this review on the requirements of the Annual Governance and Accountability Return for 2023-24 and JPAG Governance, Accountability for Smaller Authorities in England 2023, and Transparency Act 2015. I have looked at the assessment of risk, carried out a selective assessment of compliance with relevant procedures and controls that should have been in operation during the financial year ended 31 March 2024.

I use the guidance noted above to ensure that all internal audits are conducted with due professional care, integrity, and independence. Conclusions arrived at as part of the audit are based upon objectivity and evidence. The internal audit is not a detailed inspection of all records and transactions of the Council to detect error or fraud. It is the periodic independent review of a Council's internal controls designed to support the development of effective and efficient procedures under the Council's control. The management of the Council's internal controls is the responsibility of the staff and Councillors and internal audit. (Reference: Governance and Accountability for Smaller Councils - A Practitioners' Guide 2021 – Section 4).

This audit has been carried out using the council's website and the summary document attached which was completed by the Clerk prior to the audit. The use of the website for the internal audit is to enable the internal auditor to have the Transparency Guidance integral to the process. The form and 3 months of financial transactions were checked. The Clerk and I met via Zoom on 18th April 2024, discussed the checklist she had completed and the physically signed minutes that I needed to see.

Internal Control Objectives 23-24

I have had to mark the internal control objectives (ICO) M as 'No' for the following reason:
ICO M – Elector's rights minuted but the dates not stated within the minute. Published on the website but states with electors' rights as Monday 6th June to Friday 14th July. The period is incorrect

as the dates should have been Monday 5th June to Friday 14th July. Additionally, the year-end dates are stated at 31 March 2022 not the correct year of 2023. (Document attached with comments).

The internal audits process noted the following:

1. That recommendations made in the 2022-23 internal audit have been reviewed and responded to by the council. There is evidence of an action plan, and this being followed which is excellent.
2. Minutes for May 23 and July 23 still say 'draft' on the website.
3. Parish Council Minutes must be held in perpetuity and if possible old minutes would be given to the safe keeping of the Oxford History Centre (OCC Archives) where they will be kept in climate control and fire safe conditions.
4. The budget and Precept for 2023-24 have been evidenced as discussed and the budget RESOLVED under minute number 10/22 10.4. There is no specific minute for the Precept. Neither amount is specified. The budget and precept should both be resolved on with separate minutes and the amounts stated.
5. Insurance – levels for the Fidelity Guarantee and Employer's Liability need review to ensure they meet the council's needs. I reported on this in the 2022-23 internal audit and note that the insurance is due for renewal in 2024 but could not find any minutes. I note that the Risk Assessment states £10m for Employer's Liability but the internal audit checklist says £25k. This maybe because the insurance has not been renewed yet.
6. The Parish Council should be registered with the Pensions Regulator even if there is no requirement to offer a pension.
7. NALC/OALC and SLCC are recommending that all councils go over to a 'gov.uk' domain and email for security purposes. It would be good to review this during 2024-25 and minute the decision.
8. There is a clear process for reviewing the effectiveness of the internal audit.
9. This is my 3rd year of internal audit for Shipton on Cherwell Parish Council, and my recommendation/best practice is that a tender process for an internal auditor be done for the 24-25 fiscal year.

In summary

The Parish Council has systems in place for internal financial control. There are approval and authorisation controls to minimise risk. There is audit and management trail for financial transactions.

Yours sincerely

By email

Anstee BA Hons: Community Governance

Attachments:

Page 4 of the AGAR for 2023-24 - signed.

Summary for 2023-24

Invoice Number 2023/2024/0009