

Risk Assessment <div style="display: flex; flex-direction: column; align-items: center;"> <div style="background-color: red; color: white; padding: 2px 5px;">HIGH</div> <div style="margin: 2px;">0</div> <div style="background-color: yellow; color: black; padding: 2px 5px;">MEDIUM</div> <div style="margin: 2px;">0</div> <div style="background-color: green; color: black; padding: 2px 5px;">LOW</div> <div style="margin: 2px;">16</div> </div>	<p style="text-align: center;">South Woodham Ferrers Town Council</p> <p style="text-align: center;">INTERNAL AUDIT 2024-2025</p> <p style="text-align: center;">AUDIT PLAN WITH COMMENTS / FINDINGS</p> <p>I am pleased to report to Members of the South Woodham Ferrers Town Council (the “Council”), that I have completed my interim internal audit of the Council’s records for the six-month period to 30 September 2024, following my audit visit and subsequent conversations on 24 October 2024.</p> <p>Councillors should be aware that my work cannot be relied upon to identify the occasional omission or insignificant error, nor do I actively seek evidence of breaches of trust or statute, neglect or fraud, which may have taken place. It is the responsibility of the Councillors of the Council to guard against such events, but if during my audit testing such events are discovered I am duty bound to disclose such events to the Council.</p> <p>I would like to take this opportunity to thank the Town Clerk, Karen Atkins for her assistance given to me during my audit visit.</p>		
Area	Item	Comments / Findings Interim visit 24 Oct 2024	Comments / Findings Year-end Audit XX XXX 2025
Previous Audits	<ul style="list-style-type: none"> Date of last External Audit Certificate or Exemption Certificate for 2023-24 Comments if any Publication on website. Date of last Internal Audit Comments if any Review of any items outstanding from previous internal / external audit reports. 	<p>PKF Littlejohn signed off the Report & Certificate 2023-24 on 27 August 2024, there were no comments.</p> <p>F&P 15 Oct 2024 Min FP24-33 noted the outcome of the External Audit and Council 22 Oct 2024 Min C24-65</p> <p>The AGAR and additional financial information have been published on the Finance webpage in accordance with the regulations.</p> <p>The Internal Audit Report noted by F&P 11 June 2024 Min FP24-8. There were no items to follow up.</p>	
Minutes	<ul style="list-style-type: none"> Review of the Council minutes in particular the full Council meetings and the Committees responsible for Governance & Finance matters. General Power of Competence (GPC) ? Dispensations in place eg - S.40 LA&A Act 2014 filming/recording 	<p>As well as the full Council meeting the following main Committees meet all reporting to full Council.</p> <p>Finance & Projects Comm (F&P)</p> <p>Planning & Environment Comm (monthly)</p> <p>Events, Community & Leisure Comm</p> <p>Agendas and Minutes are available to view on the website.</p> <p>Council 16 Jan 2024 Min C573 – agreed to adopt the General Power of Competence (GPC), to be revisited annually.</p>	

		Council 22 Oct 2024 Min C24-52 Local Council Award Scheme (LCAS). Council awarded the Foundation Award. The Council expressed a desire to achieve the Quality and then the Gold Awards.	
Code of Conduct/ Acceptance of Office	<ul style="list-style-type: none"> Date adopted Any changes in elected/co-opted members since last Audit visit? DPI's complete DPI's on website or weblink New Governance Compliance <p>NEXT ELECTION ?</p>	<p>20 Councillors in post a full compliment</p> <p>Pauline Price co-opted Council 19 March 2024 Min C592 – DPI signed 5 April 2024</p> <p>DPI's available to view on the Council's website.</p> <p>May 2027</p>	
Standing Orders (SOs) and Financial Regulations (FRs)	<ul style="list-style-type: none"> Have they been formally adopted and applied? Have any changes been made since they were adopted or the last audit and minuted? Are Tender/contract values consistent between SOs & FRs and changes been formally adopted by the Council? Virtual Meetings / Delegation to Clerk/RFO still in place ? Updated re New NALC Models SO's 2022, Fin Regs 2024 ? <p>Two signature rule still in place?</p>	<p>New Model Financial Regulations published by NALC following my previous audit visit in May 2024. The New Model Financial Regulations were approved by F&P 11 June 2024 Min FP24-9 and Council 18 June 2024 Min C24-40</p> <p>The Standing Orders were amended to reflect the new Financial Regulations. Both documents are on the Council's website along with 25 other policies.</p> <p>Yes</p>	
Risk Management	<ul style="list-style-type: none"> Risk Assessments – Are they: <ul style="list-style-type: none"> Carried out regularly? Adequate? Reported in the minutes? Inspections of play equipment etc if carried out by staff/Cllrs have they been trained, accredited? ANNUAL REVIEW ? Insurance cover – is it: <ul style="list-style-type: none"> Appropriate/Adequate? 	<p>Council 14 May 2024 Min 24-19 Risk Management Policy review.</p> <p>The above policy compliments the Financial Risk Assessment document and the Strategic Risk Register.</p> <p>The play area at the Village Hall is checked every morning by the fully trained ESO's (accreditation valid until May 2025) completing a risk assessment and playground check list. ROSPA annual inspection undertaken by Play Safety in June 2024.</p> <p>Insurance cover in place with Zurich Municipal from 1 June 24 to 31 May 2025, the last year of the existing</p>	

	<ul style="list-style-type: none"> ○ LTA in place? ○ Reviewed regularly? ○ Fidelity Guarantee Cover £ (Balances + ½ Precept) <ul style="list-style-type: none"> ● Internal controls – are they: <ul style="list-style-type: none"> ○ Documented? ○ Adequate? ○ Reviewed regularly? ○ Statement of Internal Control (SIC)? ● Systems and Procedures – are they: <ul style="list-style-type: none"> ○ Documented? ○ Adequate? ○ Followed? ○ Reviewed regularly? 	<p>Long Term Agreement to 1 June 2025. As mentioned previously the Town Clerk will source three quotes when the renewal quote is due. Specialist brokers available are www.jameshallam.co.uk and www.clearcouncils.co.uk (formerly BHIB based in Leicester)</p> <p>Fidelity Guarantee = £1m</p> <p>F&P Comm 9 April 2024 Min FP230 approved a 24-month lease of an electric van, charging point and insurance cover for staff members. A separate motor policy with Zurich Municipal commenced on 31 May 2024 to 30 May 2025.</p> <p>F&P 11 June 2024 Min FP24-14.2 Cllr Price appointed Cllr for verification purposes such as bank reconciliation.</p> <p>Quarterly verification</p> <p>The “Adequate and effective system of Internal Control and Internal Audit” document - Council 16 Jan 2024 Min C578 – Internal Control and Internal Audit Policy. Next review Jan 2025</p> <p>The Policies webpage includes 27 Policies at the time of my audit visit.</p> <p>Council 14 May 2024 Min 24-19 Complaints Procedure, Publication Scheme, and Risk Management Policy.</p> <p>Council 18 June 2024 Min C24-41 Accessibility Statement, FOI Scheme, Press & Social Media Policy and H&S Policy</p> <p>Council 22 Oct 2024 Min C24-61 Grants Policy, Tree Policy and CIL Policy. The Strategic Risk Register was deferred to the next Meeting to allow further amendments to be incorporated.</p>	
Budgetary Controls	<ul style="list-style-type: none"> ● Is the annual budgeting process reported and approved by the full Council? <ul style="list-style-type: none"> ○ Budget/Precept amounts minuted? ○ Review of All Reserves included as part of the Budget Setting Process? ● Is the actual performance against the budgets reported to the Council during the year 	<p>F&P Comm 11 June 2024 Min FP24-6 noted the budgetary positions of the Committee and Champions Manor Hall as at 31 May 2024 as well as the bank balances at the same date.</p> <p>F&P Comm 15 Oct 2024 Min FP24-25 noted the budgetary positions of the Committee and Champions Manor Hall as at 30 Sept 2024 as well as the bank balances at the same date.</p> <p>Review of Reserves by F&P 15 Oct 2024 Min FP24-27</p> <p>Budget/Precept for 2025-26</p>	

	<ul style="list-style-type: none"> ○ Compare with Fin Regs requirements? • Are significant variances explained in sufficient detail? 	F&P 12 Nov 2024 will be considering the Draft Budget and forecast for 2025-26. The Council meeting in January 2025 will set the level of Precept Requirement by which time the Council will know the Tax Base for 2025-26.	
Section 137 expenditure if relevant (GPC adopted?) £10.81 FOR 2024-25 (£9.93 FOR 2023-24)	<ul style="list-style-type: none"> • What is the cash limit for the year? • Is a separate account/analysis kept? • Has the cash limit been exceeded? <p>Have the spending powers been properly used and Minuted?</p>	GPC adopted – Council 16 Jan 2024	
Book-keeping	<ul style="list-style-type: none"> • Cashbook - is it: • Fit for purpose? • Arithmetically correct? • Balanced regularly? • Reported to Council regularly? • Turnover above £200k pa ? Income & Expenditure basis of accounting? • Record keeping and the arrangements in place to store previous year's accounts etc. 	<p>The Council uses the Rialtas Omega Cashbook, Sales & Purchase Ledgers and the Purchase Ordering function.</p> <p>The Council accounts on an Income & Expenditure basis</p>	
Petty Cash	<ul style="list-style-type: none"> • Has the amount of petty cash float been agreed? • Are all petty cash entries recorded? • Are payments made from petty cash fully supported by receipts / VAT invoices? • Are petty cash reimbursements signed for? • Date of last petty cash reimbursement/top-up? • Is petty cash balance independently checked regularly 	N/A	

Payroll	<ul style="list-style-type: none"> • Who is on the payroll and are contracts of employment in place? • Who is the RFO? • Annual Appraisal in place ? • Have there been any changes to the establishment and/or changes to individual contracts during the year? • Members Allowances in place and paid via payroll system? • Have new appointments and changes to contracts been approved and minuted? • Do salaries paid agree with those approved by the Council? • Have PAYE/NI/Pension requirements been properly applied and accounted for? • Payroll outsourced? <p>WORKPLACE PENSION IN PLACE</p>	<p>The Council currently has 5 employees – Town Clerk – Karen Atkins (37hrs pw) Environment & Leisure Officer – David Smith (37hrs pw) Admin Assistant – Debbie Edwards (20hrs pw) Two ESO's – Shaun Blackmore (37hrs pw) and John Rogers (32hrs pw) Town Clerk appraisal 3 May 2024 reported to the Staffing Comm 10 May 2024</p> <p>Cllr Allowances paid quarterly and claimed by all 17 Cllrs re-elected in May 2023.</p> <p>National Pay Award 2024-25 award announcement received from NALC on the day of my Audit Visit. The award of 2.5% to be put on the next Agenda.</p> <p>Worknest HR retained with services to be used on an ad-hoc basis in the future.</p> <p>Payroll is outsourced to James Todd & Co who provide the necessary HMRC and Essex Pension Reports as well as the payslips</p> <p>Essex Pension Fund available to eligible employees</p>	
Payments	<ul style="list-style-type: none"> • Are all payments recorded and supported by appropriate documentation? • Are payments minuted? • Review of DD's and SO's ? • STAFF costs definition for inclusion in Box 4 for 2024-25, check parity for 2023-24 ? Currently includes salary, tax, NIC & Pension (employee & ers) + taxable benefits (home working allowance, broadband & phone allowance etc NOT incl.) 	<p>Good system of verification & certification of invoices for payment involving Council Officers and 2 Councillors who also approve the BACs payments. F&P 11 June 2024 Min FP24-14 renewed payment signatories and appointed Cllr Price for the verification process Council 18 June 2024 C24-43. Payment schedules reported to F&P Comm each month and payments listing published as part of the Agenda papers on the website.</p> <p>Several SO's and DD's in place mainly linked with utility services received from the likes of O2, BT, Barclaycard, Chelmsford CC, Total energies, British Gas, Wave Utilities (water charges for CMH & Garden of Remembrance) and Smart Office Solutions Ltd – office printing facilities</p> <p>Staff costs definition used within the Omega Accounting package complies with the Statement of Accounts requirement for Box 4.</p>	

	<ul style="list-style-type: none"> Has VAT been identified, recorded and reclaimed? Have internal control procedures inc. segregation of duties been adhered to? Contracts: <ul style="list-style-type: none"> What contracts exist? Compliance with SOs & FRs for letting of contracts? Have any new contracts or contract variations and/or extensions been awarded in the year? Have contract payments been made in accordance with the contract document? 	<p>VAT submissions to date – 2023-24 Qtr 4 £3,473 received 23 April 2024 2024-25 Qtr 1 £7,802 received 10 July 2024 Qtr 2 £9,469 received 8 Oct 2024</p> <p>Sample contracts/agreements in place. SLR Contractors Ltd – decoration of Champions Manor Hall (CMH) CT Services Group – CMR Cleaning JW Davis Enterprises Ltd – Open Space Contract Green Recycling – Trade Waste Sumup Payments Ltd Cinergi Ltd - Solar Panels at CMH Fen Contracts – tree works various locations LITE – Christmas Lights Contract renewed for a further 3 years 2023 – 2025 inc G Burley & Sons Ltd – summer planting and Mtce</p>	
Receipts	<ul style="list-style-type: none"> Are all receipts recorded correctly? Are all receipts promptly banked? Precept, CTSG and Sect 106 & CIL payments Are income records inc allotments, burials, hirings adequate? Are invoicing arrangements adequate including VAT where applicable? 	<p>Sumup machine in place to assist with group events like the toddler group. F&P Comm 9 April 2024 Min FP232 – Garden of Remembrance fees for 2024-25 and Min FP233 – Champions Manor Hall/Bandstand Hire fees for 2024-25 increase of 10% rounded to the nearest £1.</p> <p>CIL Receipts 1/10/23 – 31/3/24 = £5,663 recd 8 May 2024</p> <p>Invoicing for hirings checked</p>	
Bank reconciliation & PWLB Loans	<ul style="list-style-type: none"> What current/deposit accounts exist? Investment Strategy recommended where bank balances are in excess of £100k. FSCS aware ? Are bank reconciliations regularly carried out for each account and signed off by Councillors? 	<p>Bank account balances as at 30 Sept 2024 - Unity Trust Current (2312) - £263,985 Unity Trust Instant Saver (7758) - £322,361 2.75% Santander Bus Saver (2723) - <u>£297,580</u> 3.23% <u>Total cash balance</u> - £883,926</p> <p>Bank interest received during 2023-24 - £9,713 The Instant Saver account was opened 6 Feb 2024. The interest received from this investment totals £4,549 and</p>	

	<ul style="list-style-type: none"> Year-end Level of Balances to Precept ratio Are the cheque counterfoils, paying-in books and bank statements adequately referenced? When was the last review of the banking arrangements? Internet Banking? Debit/Credit Card? and if in place Financial Regs up to date ? Signature review (Two signatures required?) Any PWLB loans in place ? 	<p>from the Santander investment £5,590, totalling £10,139 to 2 Oct 2024, already more than the total for 2023-24.</p> <p>The Council currently has significant investments, which have been fully approved by Council. I strongly recommend that the Council adopts a formal Investment Strategy to sit alongside its exiting General Reserves Policy.</p> <p>Unity Trust internet banking in place Barclaycard in place with a spend limit of £5,000 per 6 week period</p> <p>Bank signatories increased from 4 to 6 Cllrs to provide more resilience. F&P Comm 11 June 2024 FP24-14.1</p> <p>PWLB loan outstanding at 31 March 2024 = £72k</p>	
<p>Assets changes Asset Register (AR) and Investment Register if applicable.</p> <p>Loans by the Council</p>	<ul style="list-style-type: none"> Are all the material assets owned by the Council recorded in an AR ? Is the AR up to date? Basis of Asset Values and Reviews Are long-term investments recorded? Does the AR show the insurance values ? Digital Photographic evidence? Is there a separate Inventory List of low value items (e.g. below the insurance excess levels) ? Loans to local bodies including any indemnities in place. 	<p>Asset value as at 31 Mar 2024 - £3,081,532 Asset Register reviewed by Annual Council May 2024 C24-10.</p> <p>F&P Comm 11 June 2024 Min FP24-7 noted delivery of the leased electric van on 31 May 2024, insurance cover with Zurich Municipal in place. New lease partner agreed FP24-12. – van is a Renault Kangoo YF24HHC</p> <p>Solar Panels tender for CMR considered by F&P 11 June 2024 MinFP-11 recommending Tender 2 with batteries to Council 18 June 2024 – 24-39 Installation scheduled for November 2024. Post Audit Note: Installation completed 14 Nov 2024, final sign-off to be arranged.</p> <p>Champion Manor Hall - 2 benches F&P 11 June 2024 FP24-13</p>	

<p>Year-end procedures</p> <p>Inc. AGAR</p>	<ul style="list-style-type: none"> Does the 2024-25 AGAR Statement of Accounts agree with the cashbook? Is there an audit trail from the financial records to the accounts and have debtors and creditors been properly recorded? Date of approval of 2023-24 AGAR & Certificate of Exemption criteria met, exemption declared PROOF of public rights provision during summer 2024 & website– AIAR ICOs Public Inspection Period Minuted ? Governance compliance regime - refer to Practitioners' Guide 2024 	<p>Year-end procedures to be checked at final audit</p> <p>The AGAR 2023-24 was approved by Council 18 June 2024 Mins C24-42.1 & 42.2, the RFO had signed off the Statement of Accounts on 8 May 2024 before the Meeting started.</p> <p>Date of Announcement - 20 June 2024 Public Inspection period – 24 June to 2 Aug 2024 Evidence – Evidence of the website posting of the Notice of Public Rights dated 20 June 2024 as per the “news” webpage within the Councils website.</p> <p>F&P 11 June 2024 Min FP24-15 and Council 18 June 2024 Min C24-42.3 noted period of exercise of public rights</p>	
<p>Additional tests – (as necessary)</p>	<ul style="list-style-type: none"> Computer systems: <ul style="list-style-type: none"> The procedures for the backing up of computerised records Council owned PC/laptop ? Email security Encryption of data? Trust Funds/Charities – Charity Commission filing? Annual review of the effectiveness of Internal Audit inc. Appointment of IIA Website host and Webmaster and any changes? 	<p>No changes since my last visit - VOIP installation upgrade at Champions Manor Hall – provided by Daisy Communications Ltd Office computer upgrades for 3 staff and a new Town Council owned laptop Ahead 4 manages the Council's IT requirements including hosting the emails, Office 365 licences and security arrangements.</p> <p>No charity involvement</p> <p>Annual review and appointment to be considered by F&P Committee</p>	

	<ul style="list-style-type: none">• Website functionality & accessibility NALC L09-18• TRANSPARENCY CODE compliant especially for Exempt Authorities• Post GDPR (May 2018)<ul style="list-style-type: none">○ Privacy Notice○ Cllr email addresses?○ Email disclaimer <p>Other matters inc DPO arrangements</p>	<p>Vision ICT</p> <p>The Town Clerk is the main “webmaster” but the Admin Assistant and Environment & Leisure Officer also contribute to the management of the Councils website.</p> <p>Cllrs email addresses were introduced from April 2023 similar the staff addresses eg debbie@southwoodhamferrerstc.gov.uk</p> <p>The Town Clerk is the DPO</p>	
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