



BLOCKLEY PARISH COUNCIL

Internal auditor's report for the year ended 31 March 2023

Name of Auditor: Mrs Irena Litton BEM (25th Feb, 3rd Mar & 19th March 2024)

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?	a) Yes b) Yes c) Yes		a&b) website https://www.blockley.org.uk/files/ugd/87d1eb_964492159f804a50ad6baab1d8288eda.pdf c) Minute 10.12 18th May 2023

	b) reviewed using the most recent version? c) minuted?		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)	a) Yes b) Yes c) Yes	Annual Governance Statement Assertion 1	a&b) website https://www.blockley.org.uk/files/ugd/87d1eb773832e4cce1478a8c9e79478f0d5e67.pdf c) Minutes 10.11 18th May 2023
1.3	Does the council a) give grants? b) have a grant-awarding policy?	a) Yes b) Yes	a) Grant of £117.60 to Blockley Horticultural Society and £400 to Draycott Mission. Recommend that the amount of grant awarded is clearly recorded in the minutes.	a) Minute 8.3 21 st Sep 2023 b) Policy on website https://www.blockley.org.uk/files/ugd/87d1eb6b4a1f7a8f2243fda1f45573e4e6cb42.pdf
1.4	Have items/ services been competitively purchased in accordance with Financial and/or Procurement Regulations?	Yes	Recommend that the name of the contractor, the tender has been awarded to is minuted. Annual Governance Statement Assertion 2 & 3	Minute 7.7 19 th October 2023 – repairs to Stone Wall
1.5	Code of conduct reviewed in the last 2/3 years?	Yes	Annual Governance Statement Assertion 3	Minute 11.1 18 th May 2023 copy of the policy on website https://www.blockley.org.uk/files/ugd/87d1ebe533f2f241d84ed59d3616efc7d5f370.pdf

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?	No	Annual Governance Statement Assertion 3	N/A – not eligible.
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)	a) Yes b) Yes	£9.93 per elector for 23/24 Annual Governance Statement Assertion 1 & 3	a) Scribe cashbook b) Yes – total spend £752.22 (as at 18 th March 2024)
2.3	Is there an annual council authorisation of Direct Debit list and Standing Orders? (Objective B)	Yes	Annual Governance Statement Assertion 1	Minute 10.19 18 th May 2023
2.4	Was Petty Cash expenditure	N/A		No Petty cash

	approved, if any? (Objective F)		Annual Governance Statement Assertion 1	
2.5	Is all expenditure supported by VAT invoices, if applicable? (Objective B)	Yes	Annual Governance Statement Assertion 1	Invoices and cashbook viewed, plus see sample transaction list
2.6	VAT – a) recorded in accounts b) reclaimed? (Objective B)	a) Yes b) Yes	Annual Governance Statement Assertion 1	a) Cashbook b) £2858.68 VAT refund 22.1.24, as per Financial Report dated 15 th Feb 24

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)	a) Yes b) No	b) Recommend that the Council reviews the cover against the Asset Register and confirms that it is still fit for purpose. This should be clearly minuted. Annual Governance Statement Assertion 5	a) Hiscox Insurance -schedule seen b) No evidence found, minute 10.13 18thMay 2023, only records confirmation of purchase
3.2	Copy of Risk Management policy a) adopted? b) reviewed annually by Council?	a) Yes but b) Yes	Recommend a more robust Policy is adopted. For further information refer to the JAPG 2023 section 5.84-5.93. There is also an example template. Annual Governance Statement Assertion 5	a) copy on website https://www.blockley.org.uk/files/ugd/87d1eb878fdc659f0b4c6697f677441f2d829a.pdf b) Minute 10.14 18 th May 2023

	(Objective C)			
3.3	Asset register a) reviewed regularly? (Objective H) b) published on website? (Objective L)	a) Yes but b) Yes	Conversation with Clerk regarding the accepted method for recording the value of Councils assets. Annual Governance Statement Assertion 5	a) Minutes 10.4 18 th May 2023 b) Copy on website https://www.blockley.org.uk/policies-finances
3.4	Evidence that assets a) have been inspected for risk? b) reported in minutes? c) any actions undertaken? (Objective C)	a) Yes but b) Yes c) Yes	Recommend that a schedule is prepared so that all the Councils assets are inspected for risk annually. Annual Governance Statement Assertion 5	a,b&c) Minute 7.3 16 th November 2023 Action in response to ROSPA report. Repairs to Aston Magna play area.
3.5	Evidence that internal controls a) take place? b) are documented? c) minuted? as per Council's Financial Regulations/Standing Orders (Objective B)	a) Yes b) To be reported c) To be reported	Recommend that Internal Checkers Report is carried out quarterly and cleared reported in the minutes. Annual Governance Statement Assertion 2	a) Internal Checker Report dated 19 th Feb 24 viewed (completed by Cllr Clare Turner). b) To be reported in the next meeting c) To be reported in the next meeting.
3.6	Bank reconciliations are on agenda to be considered by Council? (Objective I)	Yes	Annual Governance Statement Assertion 1	Reported as part of Financial Report, and minuted.

3.7	Review of a) investments? b) bank mandates (signatories on bank accounts)? (Objective B/C)	a) No but b) No but	a) Recommend that the Council consider holding the Ear Marked Reserves in an investment account. (For example the Public Deposit Account, CCLA, which has been performing at a significantly higher rate than bank interest). b) Clerk reports that the signatories will be reviewed in May 2024 Annual Governance Statement Assertion 1	a) No investments The Council does hold some funds in an interest account. b) Not carried out this year.
3.8	If bank cards in use, are proper procedures in place? (Objective B)	Yes	Annual Governance Statement Assertion 1	Not used regularly.
3.9	Are a) physical records secure? b) electronic records backed up?	a) Yes b) Yes	Annual Governance Statement Assertion 5	a) Locked cabinets and office b) Backed up onto One Drive & Cloudy It

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)	a) Yes b) Yes c) No	The Minute heading read "To approve budget for 2023/2024". It is clear that the budget was considered, but there is no record in the minutes to confirm that it was approved. Recommend that the approval of the budget is clearly approved. (Note this has already been	a,b&c) Minute 5 Extraordinary Meeting 15 th December 2022

			addressed for the FY 2024/25 budget) Annual Governance Statement Assertion 1	
4.2	a) Were the earmarked objectives of the reserves identified in the budget, if any? b) Were the general reserves reasonable? (Objective D)	a) Yes b) Yes	Annual Governance Statement Assertion 1	a) Minute 7, 20 th July 2023 b) approx. 6-7 months budgeted expenditure
4.3	Was the precept demand for the year under review properly minuted in full council?	Yes & No	The setting of the Precept was recorded under the Minute "To approve the budget for 2023/2024" Recommend that the setting of the Precept has it's own agenda item for example "To set the Precept for Financial Year ---". The minutes should then record the approval, amount and any % increase.	Minute 5 Extraordinary Meeting 15 th December 2022
4.4	Did the council a) regularly compare budget vs spend (as detailed in the financial regulations) b) and evidenced in the minutes? (Objective D)	a) Yes but b) Yes but	Recommend that the Council minute that they have reviewed the budget vs spend. Annual Governance Statement Assertion 1	a&b) Minute 8.1 21 st September 2023 and attached Financial Report. The Financial Report did include a budget vs spend but this was not clearly minuted. The Clerk confirmed that the Members did review the report for the budget vs spend.
4.5	Are any significant variances from budget reported?	Yes but	Recommend that any variances are clearly minuted. Annual Governance Statement Assertion 2	No evidence found in the minutes but the variance form was submitted to the Council as part of the End of Year process.

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	Annual Governance Statement Assertion 3	Previous IA in 2023 reviewed Clerks Contract.
5.2	Do salaries paid agree with those approved by Council? (Objective G)	Yes but	Recommend that the Clerk checks contract to see if she was due a salary scale increment. Annual Governance Statement Assertion 1	Payslip reviewed, LC2 Scale 26. Clerk to check contract of employment, as model Nalc contract states subject to satisfactory performance an increase in Salary Scales should of occurred on the 1 st April 2023. A further salary scale increment will then be due on the 1 st April 2024.
5.3	Has Council a) registered as an employer with HMRC? b) have PAYE / NIC been properly dealt with (including year-end procedures)? (Objective G)	a) Yes b) Yes		External Payroll provider, HMRC submission viewed.
5.4	Are Councillor's allowances and expenses properly authorised & controlled, if any?	Yes	Annual Governance Statement Assertion 1	Minute 10.15 18 th May 2023, Minute 9.6 15 th June 2023 & Minute 7 16 th November 2023 & Financial Report for November showing Cllr allowances approved.

5.5	Pension provision – eligible employees a) offered pension scheme? b) outcome minuted?	a) Yes b) Yes	Annual Governance Statement Assertion 3	a&b) Minute 10.17 18 th May 2023
5.6	Is Council a) registered with the Pension Regulator for auto-enrolment pensions? b) Has auto-enrolment registration with Pension Regulator been reviewed (required every 3 years)	a) Yes b) Yes	Annual Governance Statement Assertion 3	a&b) Next Due May 2025

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	Annual Governance Statement Assertion 1	Receipts and Payments

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	Minute 10.5 4 th April 2023
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)	N/A	Annual Governance Statement Assertion 1	Exceeds £25K
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	Minute 9.4 15 th June 2023
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	Minute 9.5 15 th June 2023
6.6	Are all sections of the Annual Governance & Accountability Return published on the website? (Objective L/N)	Yes	Annual Governance Statement Assertion 3	Published on councils website https://www.blockley.org.uk/policies-finances

6.7	Did council correctly provide for the exercise of public rights? (Objective M)	Yes	Recommend that the dates for the period of exercise of public rights are also reported to council and minuted. Annual Governance Statement Assertion 4	Monday 3 rd July to Friday 11 th August 2023
6.8	Previous internal audit report reviewed by council and action taken where recommended?	Yes	Annual Governance Statement Assertion 7	Full report addressed in Financial Report 15 th June 2023
6.9	Previous external audit report (for councils with turnover over £25,000) reviewed by council and action taken where recommended?	Yes	Annual Governance Statement Assertion 7	Financial Report attached to minutes dated 19 th October 2023

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 Policy for Staff &	Yes		Minute 9.4 15 th June 2023 Data Protection Policy published on Councils website https://www.blockley.org.uk/files/ugd/87d1eb83eadb776e31452eb0edefffaea51032.pdf

	Councillors and for the public?		Annual Governance Statement Assertion 3	
7.2	Is the Council a Managing Trustee?	N/A	Annual Governance Statement Assertion 9	Council is not a Managing Trustee
7.3	Do trustees meet at least once a year and publish separate accounts? (Objective O)	N/A	Annual Governance Statement Assertion 9	Council is not a Managing Trustee
7.4	Website Accessibility Statement on website home page?	Yes	Annual Governance Statement Assertion 3	Home Page of Councils website https://www.blockley.org.uk/files/ugd/87d1eb_2d444a5e35fe4c68afadf1c760bd4a10.pdf
7.5	Did council formally appoint GAPTIC as the Internal Auditor?	Yes	Recommend that Council confirms that the Internal Auditor is competent and independent of Council when appointing them Annual Governance Statement Assertion 6	Minute 4 16 th November 2023
7.6	Are registers up to date for council-owned burial grounds (if any) and purchase of Exclusive Rights of Burials certificate completed?	Yes	Annual Governance Statement Assertion 3	See Sample Transaction Report

8. Procedures

Ref	Test	Meets reqmts? Yes, No or N/A	Internal Auditor's comments	Evidence
8.1	Minutes: a) DPIs or other interests recorded? b) published on website in draft form within one month (mandatory for councillors with a turnover of less than £25,000)? (Objective L) c) initialled on each page and final page signed?	a) Yes b) Yes c) Yes	Annual Governance Statement Assertion 3	a) Listed as an Agenda Item for every meeting. Minute 3 16 th November 2023 b) Draft Minutes dated 15 th February 2024 viewed on the Councils website on the 3 rd March 2024 c) Signed Minutes from 21 st September 2023 viewed.
8.2	List of members' responsibilities (Objective L) and interests held and published on the website?	a) Yes b) Yes	Annual Governance Statement Assertion 3	a) Councils website https://www.blockley.org.uk/about b) Link to Cotswold District Councils website https://meetings.cotswold.gov.uk/mgParishCouncilDetails.aspx?ID=1197&LS=6
8.3	Agendas signed and displayed on website 3 clear days' prior to meeting? (Objective L)	Yes	Annual Governance Statement Assertion 3	Agenda for meeting held on 15 th February, dated and published on website 7 th February 2024
8.4	Summons issued in proper format?	Yes	Annual Governance Statement Assertion 3	Agenda for 15 th February 2024 viewed online

