

TANGMERE PARISH COUNCIL



MINUTES OF THE MEETING OF THE COUNCIL HELD (USING ZOOM SOFTWARE) ON 11 MARCH 2021

Present:

Councillors Andrew Irwin (Chairman), Roger Birkett (Vice-Chairman), Kate Beach, David Blythe (until agenda item 14), Simon Oakley, Paul Spencer-Ellis, James Stanbridge and Trevor Ware

In attendance:

Louise Steele - Clerk

No.		ACTION
515	<p>AGENDA ITEM 1 – APOLOGIES FOR ABSENCE Apologies were received from Councillor Kirsten Lanchester.</p>	
516	<p>AGENDA ITEM 2 – TO RECEIVE DECLARATIONS OF DISCLOSABLE PECUNIARY AND NON-PECUNIARY INTERESTS</p> <p>Cllr Oakley declared non pecuniary interests, in general terms, as a member of Chichester District Council (CDC) and as a member of West Sussex County Council (WSCC).</p> <p>Cllr Oakley withdrew from the meeting to the public gallery for the duration of the Committee’s deliberations on the planning application at Agenda Item 17 under consideration by Chichester District Council due to his Membership of that Council’s Planning Committee. Any comments and observations from Chichester District Councillor Simon Oakley on planning applications were personal ones made at the invitation of the Chairman and related to matters of fact and clarification.</p>	
517	<p>AGENDA ITEM 3 – PUBLIC PARTICIPATION There were no members of the public present.</p>	
518	<p>AGENDA ITEM 4 – MINUTES The minutes of the meeting held on 21 January 2021 and those of the extraordinary meeting held on 15 December 2020 were approved as an accurate record and the meeting agreed that the Chairman should sign the minutes as such.</p>	
519	<p>AGENDA ITEM 5 – AGENCY REPORTS Councillor Oakley gave a brief update. Observing that the Census was upcoming and that all should encourage residents to complete their census return promptly. All public authorities benefit from accurate census data. The precept rises flagged in the minutes of last meeting have been set and principal authorities remain under financial pressure.</p> <p><u>Oving Lights</u> – latest best estimate is that work will start in June 2021 but the main parties are Highways England and Cala Homes.</p> <p><u>Quad Bikes</u> (see also the Community Wardens’ report) – Cllr Oakley emphasised that residents and others should persist in reporting.</p>	

	<p><u>Litter</u> - CDC recently completed its annual litter pick of the A27 – but it’s a real problem that littering continues.</p> <p><u>Tangmere Strategic Development</u> – work continues in the lead up to the planning meeting on 31 March.</p> <p><u>CDC Local Plan</u> - this is ongoing and complex process.</p> <p>Cllr Beach commented on the lack of publicity on the census</p> <p>Cllr Irwin asked for clarification on the upcoming planning meeting reference the Tangmere Strategic Development – is the Parish Council required to attend? Cllr Oakley responded that Parish Councils often attend as objectors to major applications – in this case, almost uniquely, there are no great objections. However, the Parish Council should attend, look at the Committee report and comment on some of the points of detail – Cllr Irwin indicated two highways issues that will cause concern – the speed limit on the Tangmere Road approaching the Aviation Museum and the location of the cycle route.</p> <p>The Clerk was asked to inform CDC of the Parish Council’s intention to attend and make representations.</p> <p>Community Wardens – a report from the Community Wardens was received and is attached to these minutes.</p>	
520	<p>AGENDA ITEM 6 – MINUTES & REPORTS FROM COMMITTEES</p> <p>Members received the draft minutes and oral reports from Committee Chairman for the meetings indicated:</p> <p style="padding-left: 40px;">Environment Committee 9 February 2021</p> <p>Members received oral reports from Committee Chairman for the meetings indicated but receipt of the minutes was deferred to the next meeting of Council</p> <p style="padding-left: 40px;">Village Centre Committee 9 February 2021</p> <p style="padding-left: 40px;">Finance Committee 23 February 2021</p> <p>It was noted that Finance Committee had granted £500 to St Andrews PCC for fencing and £4,000 to the Youth Club (as year two of a five year commitment).</p>	
521	<p>AGENDA ITEM 7 - REPORT OF THE COVID-19 WORKING PARTY</p> <p>Members received the oral report of Cllr Stanbridge as Chairman of the Covid-19 Working Party. The weekly meeting of the working group continue for 30 minutes each time. Systems for distribution of donated food continue. A number of actions (Village Pantry/Community Store) are on hold pending the return of the Village Centre.</p> <p>.</p>	
522	<p>AGENDA ITEM 8 – CORRESPONDENCE</p> <p>Correspondence was received from a resident of Dukes Meadow who said:</p> <p style="padding-left: 40px;"><i>“I understand that the idea of the parish council (‘PC’) taking ownership of the play area located at the Dukes Meadow development has been muted by both a parish councillor and certain residents of Dukes Meadow.</i></p> <p style="padding-left: 40px;"><i>Could I place on record my strong objection to this as both a parishioner of Tangmere and as a home owner at Dukes Meadow.</i></p> <p style="padding-left: 40px;"><i>The reason for my objection is that I do not believe that in these times of budgetary pressure and precept increases that the parish council should seek to expand the areas they are liable for maintaining and by default, parishioners are charged for.</i></p> <p style="padding-left: 40px;"><i>It was made clear by the developer to buyers at Dukes Meadow that the open space and play area would be accessible to the public and the cost of maintenance (together with the estate roads and services infrastructure) would</i></p>	

	<p><i>be meet through a rent charge mechanism for which the residents of the development would be liable. In completing the purchase of a property on the development buyers have clearly accepted this.</i></p> <p><i>Any process by the PC to obtain ownership and control would undoubtedly incur legal costs due to the creation of any required agreements etc which again would demonstrate a poor use of parish funds.</i></p> <p><i>In addition whilst the public have a right to use the open space and play area this does not extend to the estate roads, already we see members of public who visit the play area using the estate roads to park their cars. If the PC were to proceed with taking an increased interest then the picture would become increasingly blurred between what area are in public/private contr which could compound the parking issue on roads that were not designed to accommodate parking for visitors to the play area.</i></p> <p><i>Could I also add that whilst there are a group of residents who have created a 'Dukes Meadow Residents Association' this a informal group which held no formal election process, has no legal standing and (as this email demonstrates) does not speak for all residents. Actual ownership of the estate roads and open spaces resides with Dukes Meadow (Tangmere) Management Company Ltd.</i></p> <p><i>By way of copy I have included representatives from Remus who are currently the managing agent for Dukes Meadow so they are aware of my concerns.</i></p> <p>The Clerk reported that the correspondent has expressed his unhappiness with her initial holding reply and she had suggested that he attend the meeting to express his views in person.</p> <p>The Parish Council's position was summarised as awaiting an approach from the Dukes Meadow Management Company and that the Council was keeping an open mind about the way forward.</p> <p>It was agreed that the Clerk should respond as appropriate and share the correspondence (with details of the correspondent redacted) with the residents' association contact. The Chairman to forward the contact details.</p>	
523	<p>AGENDA ITEM 9 – ACTIONS CARRIED OUT BY THE CLERK UNDER DELEGATED AUTHORITY</p> <p>Members noted the following action carried out by the Clerk on grounds of urgency, using her delegated authority and, following consultation with the Chairman of the Environment and other Councillors as appropriate:</p> <p>The Clerk made the following comment to Chichester District Council in respect of Planning Application 20/03130/FUL 17 Nettleton Avenue Tangmere PO20 2HZ - Change use of private land from public amenity space to private garden and associated boundary treatment to side of private detached dwelling house.</p> <p><i>“Tangmere Parish Council objects to this application in the strongest possible terms, on the grounds that it represents enclosure of a public open space and results in inappropriate development in a Conservation Area. The Parish Council would wish to see the area restored as public open space with all trees replanted and an appropriate fence erected around the original boundary of the garden of 17 Nettleton Avenue.”</i></p> <p>Members further noted that there had been an extension of time on this particular application and consultation would now end on 18 March 2021.</p>	
524	<p>AGENDA ITEM 10 - REVIEW OF FINANCIAL REGULATIONS</p> <p>Upon the recommendation of the Finance Committee Council agreed that the Financial Regulations be readopted with no amendments.</p>	
525	<p>AGENDA ITEM 11 - INTERIM INTERNAL AUDIT REPORT</p> <p>Council received the report of an interim internal audit carried out on 28</p>	

	January 2021 and noted that the end of year internal audit will take place on 16 April 2021	
526	AGENDA ITEM 12 - RISK MANAGEMENT Council received and adopted the Council's Risk Management Policy.	
527	AGENDA ITEM 13 - ANNUAL REVIEW OF RISKS FACED BY THE COUNCIL Members considered a review of the risks faced by the Council which was tabled at the meeting. The document was received. It was agreed that Members would each review the new format document and send their comments to the Clerk who would bring the comments together and bring the document back to a subsequent meeting of Full Council for further discussion.	
528	AGENDA ITEM 14 - SCHEME OF DELEGATION Members considered a new scheme of delegation – and the Clerk explained that it was a fuller record of the delegation that already exists. The Scheme of Delegation was adopted.	
529	AGENDA ITEM 15 – ANNUAL MEETING OF ELECTORS The format and content of the annual meeting of electors was considered and it was agreed that in the hope of being able to hold the meeting face to face the scheduled date should be changed from 29 April 2021 to 27 May 2021 (by law the meeting should be held between 1 March and 1 June each year). There was discussion on how to make the meeting more attractive to electors. It was agreed that the Chair of the Youth Club should be invited to make a report.	
530	AGENDA ITEM 16 – SCHEDULE OF MEETINGS FOR 2021/22 Members consider two alternative schedule of meetings for the civic year starting 13 May 2021. The first was a full schedule of meetings that assumes either the Council will continue with Zoom meetings or that face-to-face meetings can take place in the Village Centre. The second was a reduced schedule of meetings which acknowledged that the emergency regulations will cease on 7 May 2021 and that from that date the Council must resume face-to-face meetings (unless emergency regulations are extended or some other device found that would permit remote meetings); this schedule also plans for the scenario that the Village Centre is not available for some months. Council adopted Version 1 and that schedule of meetings is attached to these minutes. Though it was acknowledged that uncertainty still surrounds meetings going forward and that there will have to be some flexibility	
531	AGENDA ITEM 17 – PLANNING Members considered the Council's observations on the following planning applications and commented on them as indicated: 21/00252/DOM Erection of single storey rear extension and enlargement of existing driveway. 22 Halebridge Walk Tangmere PO20 2HG Tangmere Parish Council has no objection to this application.	
532	AGENDA ITEM 18 – ACTION POINTS AND THE CLERK'S REPORT Members considered an oral update (supported by the display of a Trello	

	<p>board) from the Clerk on action points across the Council and its Committees. Key points to record here is that with reference to Bishops Road – the Council to take quotes from solicitors for progressing this matter.</p> <p>The Clerk reported that a tree (a Swedish Whitebeam T35) on the recreation field had been felled that day as an urgent delegated action. A resident walking past had reported that the movement of the tree in the wind was so significant that the ground was being disturbed.</p>	
533	<p>AGENDA ITEM 14 – ANY OTHER MATTERS FOR INFORMATION</p> <p>Cllr Stanbridge reported that a grant of trees is coming to the Village (after 19 April) from the Woodland Trust. There was some discussion as how best to take this forward and it was agreed that creation of a working party be placed on the agenda for Environment Committee.</p>	

Date of next meeting: 13 May 2021 (Annual Meeting of Council)

Chairman:

Date:

Warden Report March 2021

We have had some reports of youths egging a house recently. Although there were no witnesses we were given some names. These youths have been spoken to so we hope this won't happen again.

Fly tipping has become a big problem at the moment again. This is mostly in Oving but all our rural areas seem to be a target for this illegal practice. Anything from general household waste to asbestos has been dumped recently, the later causes a great danger to both people and animals and takes longer to be cleared away because specialist teams have to be called in.

We were informed about a lot of empty cans of alcohol collected from the area covering the Airfield and surrounding areas. It is believed these have been discarded by the same person and possibly go back a long way. The suspected litter bug was spoken to and a warning letter sent by Environmental Health. We will look to gather evidence to take the matter further should it continue.

Electric scooters have become the latest craze with young and old alike. They look like great fun and an easy way to get around, trouble is these are completely illegal to use on a public highway unless hired as part of a government trial that is currently being run in several cities. I don't know if people are aware of this when they buy them or if retailers give this information out to the people buying them. A couple of people have been spoken to about this and we have printed cards with all the information about them to give out to anyone we see on them. PCSO Richard Moorey is also keeping an eye out for them and will deal with accordingly if seen.

Quad bikes, motorbikes and mopeds are being regularly reported being ridden off road and in an illegal manner. They could pose quite a danger to the public due to the way they are riding and using the Bridleway path between Tangmere and Oving. If anyone sees any of these please can they report to the police at the time?

We continue to look out for the more vulnerable people in our community with either phone calls or doorstep chats. Please let us know if you have concerns for any members of the community.

Finally we were contacted by a resident that had come across a 2 way radio that had been found on the recreation field, we contacted the supplier and managed to reunite the radio with the RSPCA through serial number records.

We are really looking forward to getting back to a more normal way of working. Tangmere has really come together over the last year and in some cases surprised me with how far ahead of game they were. We can also be proud that Tangmere is playing a major part at the coal face of the vaccination effort. So a big thank you from Dawn and I for all your efforts.

Gareth & Dawn

TANGMERE PARISH COUNCIL



MEETING SCHEDULE

2021/2022

Environment Committee	Village Centre Committee	Finance Committee	Parish Council
Tuesday 7.30pm	Tuesday 7.30pm	Tuesday 7.30pm	Thursday 7.30pm
Civic Year 2020/21			
23/03/21	13/04/21	20/04/21	
Civic Year 2021/22			
			13/05/21#
			27/05/21*
25/05/21	8/06/21	22/06/21	8/07/21
27/07/21	10/08/21	31/08/21	9/09/21
29/09/21	12/10/21	26/10/21	11/11/21
23/11/21	7/12/21	11/01/22	20/01/22
1/02/22	15/02/22	8/03/22	17/03/22
5/04/22	12/04/22	26/04/22	28/04/22*
Civic Year 2022/23			
			12/05/22#

#Annual Meeting of Council

*Annual Meeting of Electors (Parish Meeting)

All meetings to 7 May 2021 will be held using Zoom software

All members of the public are welcome and have a right to attend meetings.

Representatives to Outside Bodies 2019/20

SAFEGUARDING VULNERABLE GROUPS OFFICER
Cllr Ware

PRESS OFFICER
Cllr Irwin

DATA PROTECTION OFFICER
Cllr Stanbridge

SOUTH CHICHESTER COUNTY LOCAL COMMITTEE
Cllr Beach
Cllr Lanchester

CHICHESTER DISTRICT ASSOCIATION OF LOCAL COUNCILS (CDALC)
Cllr Birkett
Cllr Irwin

WEST SUSSEX ASSOCIATION OF LOCAL COUNCILS CONF/AGM
Cllr Birkett
Cllr Ware

NEIGHBOURHOOD WATCH
Cllr Birkett
Vacancy

COMMUNITY WARDENS STEERING GROUP (@CDC)
Cllr Beach
Cllr Irwin

GOODWOOD MOTOR CIRCUIT CONSULTATIVE COMMITTEE (GMCCC)
Cllr Ware

GOODWOOD AERODROME CONSULTATIVE COMMITTEE (GACC)
Cllr Ware

TANGMERE ALLOTMENT COMMITTEE
Cllr Irwin
Mrs Oliver
Stewards

Our Ref: MARK/TAN001

Mrs L Steele
Tangmere Parish Council
Tangmere Village Centre
Malcolm Road
Tangmere
West Sussex
PO20 2HS

15 April 2021

Dear Louise

Re: Tangmere Parish Council
Internal Audit Year Ended 31 March 2021

Executive summary

Following completion of our interim internal audit on 28 January 2021 and final audit on 15 April 2021 we enclose our report for your kind attention and presentation to the council. The audit was conducted in accordance with current practices and guidelines and testing was risk based. Whilst we have not tested all transactions, our samples have where appropriate covered the entire year to date. **Testing requirements are shown in red** and where appropriate **recommendations for future action are shown in bold text and summarised in the tables at the end of the report.**

Our report is presented in the same order as the assertions on the internal auditor report within the published AGAR. The start of each section details the nature of the assertion to be verified, followed by recommended minimum testing requirements. Each section is then concluded with an opinion as to whether the assertion has been met or not.

Our sample testing did not uncover any errors or misstatements that require reporting to the external auditor, nor did we identify any significant weaknesses in the internal controls such that public money would be put at risk.

It is clear the council takes governance, policies and procedures very seriously and I am pleased to report that overall, the systems and procedures you have in place are fit for purpose and whilst my report may contain recommendations to change these are not indicative of any significant failings, but rather are pointers to improving upon an already well-ordered system.

It is therefore our opinion that the systems and internal procedures at Tangmere Parish Council are well established and followed.

Regulation

The Accounts and Audit Regulations 2015 require smaller authorities, each financial year, to conduct a review of the effectiveness of the system of internal control and prepare an annual governance statement in accordance with proper practices in relation to accounts. In addition to this, a smaller authority is required by Regulation 5(1) of the Accounts and Audit Regulations 2015 to "undertake an effective internal audit to evaluate the effectiveness of its risk management, control and governance processes, taking into account public sector internal auditing standards or guidance."

Internal auditing is an independent, objective assurance activity designed to improve an organisation's operations. It helps an organisation accomplish its objectives by bringing a systematic, disciplined approach to evaluate and improve the effectiveness of risk management, control and governance processes. The purpose of internal audit is to review and report to the authority on whether its systems of financial and other internal controls over its activities and operating procedures are effective.

Internal audit's function is to test and report to the authority on whether its specific system of internal control is adequate and working satisfactorily. The internal audit reports should therefore be made available to all members to support and inform them when they considering the authority's approval of the annual governance statement.

Independence and competence

Your audit was conducted by Andy Beams of Mulberry & Co. We confirm we are independent from the management of the financial controls and procedures of the council and neither the internal auditor or the firm have any conflicts of interest with the audit client, nor do they provide any management or financial assistance to the client.

Your auditor has over 30 years' experience in the financial sector with the last 11 years specialising in local government.

Engagement Letter

An engagement letter was issued to the council covering the 2020/21 internal audit assignment. Copies of this document are available on request.

Planning and inherent risk assessment

The scope and plan of works including fee structure was issued to the council under separate cover. Copies of this document are available on request. In summary, our work will address each of the internal control objectives as stated on the Annual Internal Audit Report of the AGAR.

- There have been no instances of breaches of regulations in the past
- The client uses an industry approved financial reporting package
- The client regularly carries out reconciliations and documents these
- There is regular reporting to council
- The management team are experienced and informed
- Records are neatly maintained and referenced
- The client is aware of current regulations and practices
- There has been no instance of high staff turnover

It is my opinion that the inherent risk of error or misstatement is low, and the controls of the council can be relied upon and as such substantive testing of individual transactions is not required. Testing to be carried out will be "walk through testing" on sample data to encompass the period of the council year under review.

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A. BOOKS OF ACCOUNT (INTERIM AUDIT)

Internal audit requirement

Appropriate accounting records have been properly kept throughout the financial year.

Recommended minimum testing:

- Ensure the correct roll forward of the prior year cashbook balances to the new financial year
- Check a sample of financial transactions in cashbooks to bank statements, etc.: the sample size dependent on the size of the authority and nature of accounting records maintained

Interim audit

The council continues to use RBS as a day-to-day accounting package. This is a tried and tested industry specific package and I make no recommendation to change. The system is used regularly to report on and record the financial transactions of the council.

Checks of the books of accounts will be completed at the year-end audit.

Final Audit

A more detailed review of the accounting records was completed as part of the year-end audit. Regular reports are produced, circulated to councillors and discussed at council meetings, which detail income and expenditure and budget performance.

The council has moved from receipts and payments accounting to income and expenditure this year, and the Clerk has provided evidence of the restated figures for comparison and inclusion on the AGAR.

Overall, I have the impression that the accounting systems are well ordered and routinely maintained and as such I make no recommendation to change.

Section conclusion

I am of the opinion that the control assertion of "Appropriate accounting records have been properly kept throughout the financial year" has been met.

B. FINANCIAL REGULATIONS, GOVERNANCE AND PAYMENTS (INTERIM AND FINAL AUDIT)

Internal audit requirement

This authority complied with its financial regulations, payments were supported by invoices, all expenditure was approved, and VAT was appropriately accounted for.

Recommended minimum testing:

- Review the procedures in place for acquisition of formal tenders and quotes, ensuring they are in line with the Standing Orders and Financial Regulations which should be based on the latest version.
- Ensure that consistent values are in place for the acquisition of formal tenders between Standing Orders and Financial Regulations (frequently different limits are recorded in the two documents)
- Review the procedures for receipt of invoices, agreement of invoice detail and confirmation of goods /services delivery and approval for payment: ideally, a suitably designed certification stamp should be in place providing for evidencing of these checks and payment authorisation
- Check that there is effective segregation between the writing of cheques or the setting up of online payments, and physical release of payments
- Check that VAT reclaims are prepared and submitted in a timely manner in line with the underlying records and in accordance with current HMRC requirements
- Where debit / credit cards are in use, establish the total monthly and individual transaction limits and ensure appropriate controls over physical security and usage of the cards are in place

Interim audit

Check the publication and minuting of the prior year audited AGAR and notice of conclusion of audit.

The external auditor's certificate and notice of conclusion are published on the council website and were an agenda item for discussion at the council meeting held on 21 January 2021.

Confirm by sample testing that councillors sign statutory office forms

Previous audits have confirmed by sample testing that councillors sign "Acceptance of Office" forms and the web site shows the Register of Disclosable Pecuniary Interests for each councillor.

Confirm that the council is compliant with the relevant transparency code

As the council's income and expenditure are between £25,000 and £200,000, is not required by law to follow the either of the Local Government Transparency Codes although it is recommended to do so.

Confirm that the council is compliant with GDPR

The council is fully aware of GDPR and has undergone training. It was noted at a previous audit that the council were planning to move to a .gov.uk website and address common email addresses for all councillors after this time. The new website is established but it was noted councillors are still using their own email addresses. This may have been delayed due to the Covid pandemic and **will be reviewed at the year-end audit**. The use of common email addressed is recommended because it gives a natural segregation between work and personal lives, making it clear beyond doubt in what capacity a councillor is acting. In addition to this it gives control to the council, adds a degree of professionalism and in the event of a FOI request limits access to personal computers.

I was unable to locate a Privacy Notice on the new website and this will be reviewed at the year-end audit.

Confirm that the council meets regularly throughout the year

In addition to full council, the council has a committee structure a diary of meetings available on the council website.

Check that agendas for meetings are published giving 3 clear days' notice.

The Clerk was able to demonstrate that at least 3 clear days' notice is given on agendas. Whilst we have not tested every single committee and council meeting there was no evidence of non-compliance in giving three clear days' notice of the meeting. It is noted that the non-confidential supporting documentation referred to in the agendas is available for most meetings on the website.

Check the draft minutes of the last meeting(s) are on the council's website

Minutes are routinely uploaded to the council website.

Confirm that the Parish Council's Standing Orders have been reviewed within the last 12 months.

The standing orders are based on the latest NALC model, and are dated May 2019 on the website version.

Confirm that the Parish Council has adopted and recently reviewed Financial Regulations.

Financial regulations are based on the latest NALC model and are dated May 2020 on the website version. The regulations contain provisions for the approval of spending, setting of budgets, reconciliation of the bank and reporting to council.

Check that the council's Financial Regulations are being routinely followed.

To be reviewed at the year-end audit.

Confirm all section 137 expenditure meets the guidelines and does not exceed the annual per elector limit of £8.32 per elector.

The council has the General Power of Competence (GPC) and the thresholds do not apply.

Confirm that checks of the accounts are made by a councillor.

To be reviewed at the year-end audit.

Final Audit

Further to the items noted at the interim review of the website, I confirmed that the external auditor's certificate was discussed at the council meeting held on 21 January 2021, and this is recorded in the minutes.

Councillor email addresses have now been set up, although these are not yet consistently being used. A Privacy Notice is now published on the council website now.

A review of council and committee meetings show regular reference to items relating to the council's finances, including reviews of payments, income and expenditure and budget performance. It is clear the council is provided with enough information to make informed financial decisions.

It was noted the council has also adopted a scheme of delegation in March 2021.

I am of the opinion the council is following its own regulations and that any changes are to be considered minor and not indicative of errors in the system.

Section conclusion

I am of the opinion that the control assertion "This authority complied with its financial regulations, payments were supported by invoices, all expenditure was approved, and VAT was appropriately accounted for" has been met.

C. RISK MANAGEMENT AND INSURANCE (INTERIM AND FINAL AUDIT)

Internal audit requirement

This authority assessed the significant risks to achieving its objectives and reviewed the adequacy of arrangements to manage these.

Recommended minimum testing:

- Ensure that authorities have prepared, and formally adopted, at least once annually, an appropriate and comprehensive register of assessed risks, both regular and ad hoc
- Ensure that appropriate levels of insurance cover are in place for land, buildings, public, employers' and hirers' (where applicable) liability, fidelity / employees (including councillors) liability, business interruption and cyber security
- Ensure that appropriate arrangements are in place for monitoring play areas, open spaces and sports pitches: such reviews should be undertaken by appropriately qualified external inspectors or, if by officers or members, that they have received the appropriate training and accreditation

Interim audit

To be reviewed at the year-end audit.

Final audit

I confirmed that the council has a valid insurance policy in place with Ecclesiastical Insurance. The policy includes Employers' Liability and Public Liability cover of £10 million each, and a Fidelity Guarantee level of £150,000.

The council has a risk management scheme in place, which cover financial, operational and other risks. This was most recently reviewed and adopted by council in March 2021,

We discussed assertion 8 of the AGAR and whether or not this had any impact on the council.

"We considered whether any litigation, liabilities or commitments, events or transactions, occurring either during or after the year-end, have a financial impact on this authority and, where appropriate, have included them in the accounting statements."

The Clerk confirmed that she was not aware of any such liability at the year end.

Section conclusion

I am of the opinion that the control objective of "This authority assessed the significant risks to achieving its objectives and reviewed the adequacy of arrangements to manage these" has been met.

D. BUDGET, PRECEPT AND RESERVES (INTERIM AND FINAL AUDIT)

Internal audit requirement

The precept or rates requirement resulted from an adequate budgetary process; progress against the budget was regularly monitored; and reserves were appropriate.

Recommended minimum testing:

- Ensure that the full authority, not a committee, has considered, approved and adopted the annual precept in accordance with the required parent authority timetable
- Ensure that budget reports are prepared and submitted to authority / committees periodically during the year with appropriate commentary on any significant variances
- Review the budget performance either during the year or at the financial year-end seeking explanations for any significant or unanticipated variances
- Ensure that the authority has considered the establishment of specific earmarked reserves and, ideally, reviews them annually as part of the budget assessment process
- Ensure that the precept in the accounts matches the submission form to the relevant authority and the public record of precepted amounts

Interim audit

From review of the council minutes, I confirmed that the 2020-21 budget and precept setting process had started. The Finance Committee meeting held on 8 December 2020 considered a proposal to recommend to council for review at the meeting held on 21 January 2021.

I have confirmed that in accordance with Financial Regulations, regular reporting of budget against expenditure is carried out and this is evidenced in council minutes.

Information dated 3 December reviewed at the Finance meeting held on 8 December shows that the council held circa £35,000 in earmarked reserves and had a general reserve of circa £45,000, plus a Village Centre general reserve of circa £12,500. General guidance recommends the council's general reserve should be circa 50% of precept, or 3-6 months net revenue expenditure (NRE), as adjusted for local conditions.

The same financial reports showed the council's income was 91.9% of budget and expenditure was 88.8% of budget as of 3 December. There had also been a transfer into the account of £22,000 from the CIL earmarked reserve.

Final audit

I confirmed the final budget and precept figures for 2021/22 were agreed by council at the meeting held on 21 January 2021.

At the year end, the council held circa £30,000 in a number of clearly defined earmarked reserves. A further circa £39,000 is held on general reserves, which included circa £14,000 for the Village Centre.

The council held circa £33,700 in general reserve at the year end. General guidance recommends an appropriate level of general reserve is around 50% of precept, as adjusted for local conditions. The level held by the council is therefore appropriate.

Section conclusion

I am of the opinion that the control objective of "The precept or rates requirement resulted from an adequate budgetary process; progress against the budget was regularly monitored; and reserves were appropriate" has been met.

E. INCOME (INTERIM AND FINAL AUDIT)

Internal audit requirement

Expected income was fully received, based on correct prices, properly recorded and promptly banked; and VAT was appropriately accounted for.

Recommended minimum testing:

- Review “aged debtor” listings to ensure appropriate follow up action is in place
- Allotments: ensure that appropriate signed tenancy agreements exist, that an appropriate register of tenants is maintained identifying, that debtors are monitored.
- Burials: ensure that a formal burial register is maintained that it is up-to-date and that a sample of interments and memorials are appropriately evidenced, that fees have been charged at the correct approved rate and been recovered within a reasonable time: (Authorities should also acquire and retain copies of Burial / Cremation certificates)
- Hall hire: ensure that an effective diary system for bookings is in place identifying the hirer, hire times and ideally cross-referenced to invoices raised
- Leases: ensure that leases are reviewed in a timely manner in accordance with the terms of the lease and rents similarly reviewed appropriately at the due time
- Other variable income streams: ensure that appropriate control procedures and documentation are in existence to provide a clear audit trail through to invoicing and recovery of all such income
- Where amounts are receivable on set dates during the year, ensure that an appropriate control record is maintained duly identifying the date(s) on which income is due and actually received / banked

Interim audit

To be checked at the year-end audit.

Final audit

I confirmed the precept amount to the centrally held records, and that this is the correct total entered into box 2 of the AGAR.

Apart from the precept, other income sources include VAT refunds, sports facility hire, rental and lettings income, grants and bank interest. A review of the RBS records shows income appears to be correctly recorded to appropriate nominal codes.

Total other income has reduced significantly this year, and this has been explained in detail on the Explanation of Variance form to be submitted with the AGAR.

Section conclusion

I am of the opinion that the control objective of “Expected income was fully received, based on correct prices, properly recorded and promptly banked; and VAT was appropriately accounted for” has been met.

F. PETTY CASH (INTERIM AUDIT)

Internal audit requirement

Petty cash payments were properly supported by receipts, all petty cash expenditure was approved and VAT appropriately accounted for.

Recommended minimum testing:

- A number of authorities are now running down and closing their petty cash accounts and using debit / credit cards for ad hoc purchases. Consequently, a “not applicable” response is frequently required in this area.
- Review the systems in place for controlling any petty cash and cash floats (used for bar, catering, etc.)
- Check a sample of transactions during the financial year to ensure appropriate supporting documentation is held
- Review the existence of evidenced periodic independent verification of the petty cash and any other cash floats held
- Ensure that VAT is identified wherever incurred and appropriate
- Physically check the petty cash and other cash floats held

- Where bar or catering facilities are in place, ensure that appropriate cashing-up procedures are in place reconciling the physical cash takings to the till “Z” total readings

Interim audit

The council has no petty cash.

Section conclusion

I am of the opinion the control objective of “Petty cash payments were properly supported by receipts, all petty cash expenditure was approved, and VAT appropriately accounted for” has been met.

G. PAYROLL (INTERIM AND FINAL AUDIT)

Internal audit requirement

Salaries to employees and allowances to members were paid in accordance with this authority’s approvals, and PAYE and NI requirements were properly applied.

Recommended minimum testing:

- Ensure that, for all staff, a formal employment contract is in place together with a confirmatory letter setting out any changes to the contract
- Ensure that appropriate procedures are in place for the payment of members allowances and deduction of any tax liability
- Ensure that, for a sample of staff salaries, gross pay due is calculated in accordance with the approved spinal point on the NJC scale or hourly rate, if off-scale, and with the contracted hours
- Ensure that appropriate tax codes are being applied to each employee
- Where free or paid for software is used, ensure that it is up to date.
- For the test sample of employees, ensure that tax is calculated appropriately
- Check the correct treatment of pension contributions to either the Local Government pension scheme (non - taxable, deducted from the gross salary or DC schemes like NEST which already allow for tax deductions)
- For NI, ensure that the correct deduction and employer’s contributions are applied: NB. The employers’ allowance is not available to councils but may be used by other authorities
- Ensure that the correct employers’ pension percentage contribution is being applied
- Ensure that for the test sample, the correct net pay is paid to the employee with tax, NI and pension contributions correctly paid to the respective agencies

Interim audit

To be checked at the year-end audit.

Final audit

The council has two staff members, both of whom have signed contracts of employment and are paid with reference to the NJC salary scale. An external company completes the monthly payroll calculations, and the council makes the salary and HMRC/pension payments based on this information.

The staff costs (box 4) on the AGAR are consistent with the information entered into the RBS accounting system, and include only eligible payments for salaries, PAYE/NI and pension contributions.

Section conclusion

I am of the opinion that salaries are correctly stated on the AGAR and that the control object of “Salaries to employees and allowances to members were paid in accordance with this authority’s approvals, and PAYE and NI requirements were properly applied” has been met.

H. ASSETS AND INVESTMENTS (INTERIM AND FINAL AUDIT)

Internal audit requirement

Asset and investments registers were complete and accurate and properly maintained.

Recommended minimum testing:

Tangible fixed assets

- Ensure that the authority is maintaining a formal asset register and updating it routinely to record new assets at historic cost price, net of VAT and removing any disposed of / no longer serviceable assets
- Physically verifying the existence and condition of high value, high risk assets may be appropriate
- Ideally, the register should identify for each asset the purchase cost and, if practicable, the replacement / insured cost, the latter being updated annually and used to assist in forward planning for asset replacement
- Additions and disposals records should allow tracking from the prior year to the current
- Ensure that the asset value to be reported in the AGAR at Section 2, Box 9 equates to the prior year reported value, adjusted for the nominal value of any new acquisitions and /or disposals
- Compare the asset register with the insurance schedule to ensure that all assets as recorded are appropriately insured or "self-insured" by the authority

Fixed asset investments

- Ensure that all long-term investments (i.e., those for more than 12-month terms) are covered by the "Investment Strategy" and reported as Assets in the AGAR at Section 2, Box 9.

Borrowing and lending

- Ensure that the authority has sought and obtained appropriate DMO approval for all loans acquired
- Ensured that the authority has accounted for the loan appropriately (i.e., recorded the full value of the loan. Any arrangement fee should be regarded as an admin expense) in the year of receipt
- Ensure that the combined principal loan repayment and interest for the year is correctly recorded in the AGAR at Section 2 Box 5
- Ensure that the outstanding loan liability as of 31st March each year is correctly recorded in the AGAR at Section 2, Box 10 (value should be verified via the DMO website)
- Where the authority has issued loans to local bodies, they should ideally seek signed indemnities from the recipient body, or their members, agreeing to underwrite the loan debt

Interim audit

To be checked at the year-end audit.

Final Audit

The council has an asset register which is kept in an Excel format. The register lists information including the type and location of the asset, its date of acquisition and original cost. The asset register total matches that entered into box 9 on the AGAR.

I confirmed the loan repayment amounts and year-end outstanding balance against the PWLB statement.

Section conclusion

I am of the opinion that the control objective of "Asset and investments registers were complete and accurate and properly maintained" has been met.

I. BANK AND CASH (INTERIM AND FINAL AUDIT)

Internal audit requirement

Periodic and year-end bank account reconciliations were properly carried out.

Recommended minimum testing:

- Ensure that bank reconciliations are prepared routinely, are subject to independent scrutiny and sign-off by members
- Verify the accuracy of the year-end bank reconciliation detail and ensure accurate disclosure of the combined cash and bank balances in the AGAR, Section 2, Box 8
- Where the authority has bank balances in excess of £100,000 it has an appropriate investment strategy

Interim audit

Bank reconciliations are reviewed at Finance Committee meetings, and this is recorded in the minutes. **Checks of the bank reconciliations and associated bank statements will be carried out at the year-end audit.**

Final audit

At the year end, the council had a reconciled position on its bank accounts, and I verified the balances against the bank statements for 31 March 2021. There is evidence within the council minutes of regular reviews of bank reconciliations taking place.

Section conclusion

I am of the opinion that bank and cash balances are properly shown on the AGAR and that the control objective of "Periodic and year-end bank account reconciliations were properly carried out" has been met.

J. YEAR END ACCOUNTS (FINAL AUDIT)

Internal audit requirement

Accounting statements prepared during the year were prepared on the correct accounting basis (receipts and payments or income and expenditure), agreed to the cash book, supported by an adequate audit trail from underlying records and where appropriate debtors and creditors were properly recorded.

Recommended minimum testing:

- Ensure that, where annual turnover exceeds £200,000, appropriate records are maintained throughout the year on an Income and Expenditure basis to facilitate budget reporting in that vein
- Ensure that appropriate accounting arrangements are in place to account for debtors and creditors during the year and at the financial year-end

The council, at its meeting to sign off the year-end accounts, must discuss the Annual Governance Statement and record this activity in the minutes of the meeting. Based on the internal audit finding, I recommend using the table below as the basis for that discussion. **THIS MUST BE A SEPARATE AGENDA ITEM TO THE SIGNING OF THE ANNUAL ACCOUNTS.**

Section 1 – Annual Governance Statement

	Annual Governance Statement	'Yes', means that this authority	Suggested response based on evidence
1	We have put in place arrangements for effective financial management during the year, and for the preparation of the accounting statements.	<i>prepared its accounting statements in accordance with the Accounts and Audit Regulations.</i>	YES –accounts follow latest Accounts and Audit Regulations and practitioners guide recommendations.
2	We maintained an adequate system of internal control including measures designed to prevent and detect fraud and corruption and reviewed its effectiveness.	<i>made proper arrangements and accepted responsibility for safeguarding the public money and resources in its charge.</i>	YES – there is regular reporting of financial transactions and accounting summaries, offering the opportunity for scrutiny.

3	We took all reasonable steps to assure ourselves that there are no matters of actual or potential non-compliance with laws, regulations and Proper Practices that could have a significant financial effect on the ability of this authority to conduct its business or manage its finances.	<i>has only done what it has the legal power to do and has complied with Proper Practices in doing so.</i>	YES – the Clerk is experienced and advises the council in respect of its legal powers.
4	We provided proper opportunity during the year for the exercise of electors’ rights in accordance with the requirements of the Accounts and Audit Regulations.	<i>during the year gave all persons interested the opportunity to inspect and ask questions about this authority’s accounts.</i>	YES – the requirements and timescales for 2019/20 year-end were followed.
5	We carried out an assessment of the risks facing this authority and took appropriate steps to manage those risks, including the introduction of internal controls and/or external insurance cover where required.	<i>considered and documented the financial and other risks it faces and dealt with them properly.</i>	YES – the council has a risk management scheme and appropriate external insurance.
6	We maintained throughout the year an adequate and effective system of internal audit of the accounting records and control systems.	<i>arranged for a competent person, independent of the financial controls and procedures, to give an objective view on whether internal controls meet the needs of this smaller authority.</i>	YES – the council has appointed an independent and competent internal auditor has completed two audits during the year.
7	We took appropriate action on all matters raised in reports from internal and external audit.	<i>responded to matters brought to its attention by internal and external audit.</i>	YES – where matters are raised, action taken by council is recorded
8	We considered whether any litigation, liabilities or commitments, events or transactions, occurring either during or after the year-end, have a financial impact on this authority and. Where appropriate, have included them in the accounting statements.	<i>disclosed everything it should have about its business activity during the year including events taking place after the year end if relevant.</i>	YES – no matters were raised during the internal audit visits.
9	Trust funds including charitable – In our capacity as the sole managing trustee we discharged our accountability responsibilities for the fund(s)/asset(s), including financial reporting and, if required, independent examination or audit.	<i>has met all of its responsibilities where, as a body corporate, it is a sole managing trustee of a local trust or trusts.</i>	N/A – the council has no trusts.

Section 2 – Accounting Statements

AGAR box number	2019/20	2020/21	Auditor notes	
1	Balances brought forward	138,554	113,379	Agrees to 2019/20 carry forward (box 7)
2	Precept or rates and levies	68,020	79,293	Figure confirmed to central records
3	Total other receipts	95,572	40,572	Agrees to underlying records
4	Staff costs	35,017	38,491	Agrees to underlying records
5	Loan interest/capital repayments	14,514	9,676	Verified against PWLB records
6	All other payments	139,236	115,816	Agrees to underlying records
7	Balances carried forward	113,379	69,261	Casts correctly and agrees to balance sheet
8	Total value of cash and short-term investments	98,291	48,278	Agrees to bank reconciliation
9	Total fixed assets plus long term investments and assets	1,294,390	1,323,660	Matches asset register
10	Total borrowings	63,654	56,954	Verified against PWLB records

11	For Local Councils only - Disclosure note re Trust funds (including charitable)	YES	NO √	Council has no trusts
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Final audit

The year-end accounts have been correctly prepared on receipts and payments basis, with no requirement for the box 7 and 8 reconciliation.

The AGAR correctly casts and cross casts and the comparatives have been correctly copied over from the 2019/20 AGAR. Figures have been verified against underlying accounting records where appropriate.

The variance analysis is required because there are variances greater than 15% for box 3. This has been completed with sufficient detail to explain the variance.

The council plans to sign the Annual Governance Statement and Accounting Statements at its meeting scheduled for 13 April 2021.

Section conclusion

I am of the opinion that the control objective of "Accounting statements prepared during the year were prepared on the correct accounting basis (receipts and payments or income and expenditure), agreed to the cash book, supported by an adequate audit trail from underlying records and where appropriate debtors and creditors were properly recorded" has been met.

K. LIMITED ASSURANCE REVIEW (FINAL AUDIT)

Internal audit requirement

If the authority certified itself as exempt from a limited assurance review in 2019/20, it met the exemption criteria and correctly declared itself exempt. (If the authority had a limited assurance review of its 2019/20 AGAR tick "not covered")

Recommended minimum testing:

- The correct exemption certificate was prepared and minuted in accordance with the statutory submission deadline
- That it has been published, together with all required information on the Authority's website and noticeboard

Final audit

The council did not declare itself exempt from a limited assurance review in 2019/20.

Section conclusion

I am of the opinion that the control assertion of "If the authority certified itself as exempt from a limited assurance review in 2019/20, it met the exemption criteria and correctly declared itself exempt" has been met. (If the authority had a limited assurance review of its 2019/20 AGAR tick "not covered")

L: TRANSPARENCY (INTERIM AND FINAL AUDIT)

Internal audit requirement

If the authority has an annual turnover not exceeding £25,000, it publishes information on a website / webpage up to date at the time of the internal audit in accordance with the Transparency Code for Smaller Authorities

Recommended minimum testing:

- This test applies only to those councils covered by the £25,000 External Audit exemption
- Internal auditors should review the authority's website ensuring that all required documentation is published in accordance with the Transparency Code for Smaller Authorities

Interim audit

This testing requirement was not in place at the time of the interim audit.

Final audit

The council has an annual turnover exceeding £25,000, and this test does not apply.

Section conclusion

I am of the opinion that the control assertion of *"If the authority has an annual turnover not exceeding £25,000, it publishes information on a website/ webpage up to date at the time of the internal audit in accordance with the Transparency code for smaller authorities."* has been met.

M: EXERCISE OF PUBLIC RIGHTS - INSPECTION OF ACCOUNTS (FINAL AUDIT)

Internal audit requirement

The authority has demonstrated that during summer 2020 it correctly provided for the exercise of public rights as required by the Accounts and Audit Regulations.

Recommended minimum testing:

- Internal auditors should acquire / examine a copy of the required "Public Notice" ensuring that it clearly identifies the statutory 30 working day period when the authority's records are available for public inspection.
- Internal auditors may also check whether councils have minuted the relevant dates at the same time as approving the AGAR

Final audit

Due to the Covid 19 outbreak, the statutory deadlines for publication during 2019/20 were changed as follows:

The Accounts and Audit (Coronavirus) (Amendment) Regulations 2020 (SI 2020/404) amended the deadline by which the Annual Governance Statement and Statement of Accounts of the Annual Governance and Accountability Return (AGAR) together with any certificate or opinion issued by the local auditor must be published from 30 September 2020 to 30 November 2020.

This means that draft accounts must be approved by 31 August 2020 at the latest. However, they may be approved earlier, and we encouraged councils to do so wherever possible, to help manage overall pressure on audit firms towards the end of the year.

Previously there was a requirement for all smaller authorities to have a common period for the exercise of public rights, being the first 10 working days of July. Under the new regulations there is no requirement for a common period for the exercise of public rights. Smaller authorities are still required to set a period for this purpose, but the only requirement is that the 30-working day period for the exercise of public rights should start on or before the first working day of September i.e., on or before 1 September 2020.

Authorities must publish the dates of their public inspection period and given the removal of the common inspection period and extension of the overall deadlines for this year, it is recommended that all authorities provide public notice on their websites when the public inspection period would usually commence, explaining why they are departing from normal practice for 2019/20 accounts.

The regulations implementing these measures were laid on 7 April and came into force on 30 April 2020.

I confirmed that arrangements are in place at this council to ensure proper exercise of public rights. Relevant dates are set out in the table below.

Inspection - Key date	2019/20 Actual	2020/21 Proposed
Date Inspection Notice Issued	28 August 2020	2 June 2020
Inspection period begins	1 September 2020	3 June 2020
Inspection period ends	13 October 2020	14 July 2020
Correct length	Yes	Yes
Common period included?	n/a	Yes

I am satisfied the requirements of this control objective were met for 2019-20, and assertion 4 on the annual governance statement can therefore be signed off by the council.

Section conclusion

I am of the opinion the control objective of “The authority, during the previous year (2019-20) correctly provided for the period for the exercise of public rights as required by the Accounts and Audit Regulations (evidenced by the notice published on the website and/or authority approved minutes confirming the dates set)” has been met.

N: PUBLICATION REQUIREMENTS (INTERIM AND FINAL AUDIT)

Internal audit requirement

The authority has complied with the publication requirements for 2019/20. Under the Accounts and Audit Regulations 2015, authorities must publish the following information on the authority website / webpage.

Recommended minimum testing:

- Internal auditors should acquire / examine a copy of the required “Public Notice” ensuring that it clearly identifies the statutory 30 working day period when the authority’s records are available for public inspection.
- Internal auditors may also check whether councils have minuted the relevant dates at the same time as approving the AGAR

Before 1 July 2021 authorities must publish:

- Notice of the period for the exercise of public rights and a declaration that the accounting statements are as yet unaudited
- Section 1 - Annual Governance Statement 2020/21, approved and signed, page 4
- Section 2 - Accounting Statements 2020/21, approved and signed, page 5

Not later than 30 September 2021 authorities must publish:

- Notice of conclusion of audit
- Section 3 - External Auditor Report and Certificate
- Sections 1 and 2 of AGAR including any amendments as a result of the limited assurance review.

It is recommended as best practice, to avoid any potential confusion by local electors and interested parties, that you also publish the Annual Internal Audit Report, page 3.

Interim audit

This testing requirement was not in place at the time of the interim audit.

Final audit

The Clerk was able to confirm that the publication requirements for 2019/20 had been met.

Section conclusion

I am of the opinion that the control assertion of “the authority has complied with the publication requirements for 2019/20 AGAR. Under the Accounts and Audit Regulations 2015, authorities must publish the following information on the authority website / webpage” has been met.

O. TRUSTEESHIP (INTERIM AUDIT)

Internal audit requirement

Trust funds (including charitable) – The council met its responsibilities as a trustee.

Recommended minimum testing:

- Confirm that all charities of which the council is a Trustee are up to date with Charity Commission filing requirements
- that the council is the sole trustee on the Charity Commission register
- that the council is acting in accordance with the Trust deed
- that the charity meetings and accounts are recorded separately from those of the council
- review the level and activity of the charity and where a risk-based approach suggests such, review the Independent Examiner's report

Interim audit

The council has no trusts.

Section conclusion

I am of the opinion that the control assertion of "Trust funds (including charitable) – The council met its responsibilities as a trustee" has been met.

Should you have any queries please do not hesitate to contact me.

Yours sincerely



Andy Beams

For Mulberry & Co

Annual Internal Audit Report 2020/21

TANGMERE PARISH COUNCIL

www.tangmere-pc.gov.uk

PUBLICLY AVAILABLE WEBSITE/WEBPAGE ADDRESS

During the financial year ended 31 March 2021, this authority's internal auditor acting independently and on the basis of an assessment of risk, carried out a selective assessment of compliance with the relevant procedures and controls in operation and obtained appropriate evidence from the authority.

The internal audit for 2020/21 has been carried out in accordance with this authority's needs and planned coverage. On the basis of the findings in the areas examined, the internal audit conclusions are summarised in this table. Set out below are the objectives of internal control and alongside are the internal audit conclusions on whether, in all significant respects, the control objectives were being achieved throughout the financial year to a standard adequate to meet the needs of this authority.

Internal control objective	Yes	No*	Not covered**
A. Appropriate accounting records have been properly kept throughout the financial year.	✓		
B. This authority complied with its financial regulations, payments were supported by invoices, all expenditure was approved and VAT was appropriately accounted for.	✓		
C. This authority assessed the significant risks to achieving its objectives and reviewed the adequacy of arrangements to manage these.	✓		
D. The precept or rates requirement resulted from an adequate budgetary process; progress against the budget was regularly monitored; and reserves were appropriate.	✓		
E. Expected income was fully received, based on correct prices, properly recorded and promptly banked; and VAT was appropriately accounted for.	✓		
F. Petty cash payments were properly supported by receipts, all petty cash expenditure was approved and VAT appropriately accounted for.			✓
G. Salaries to employees and allowances to members were paid in accordance with this authority's approvals, and PAYE and NI requirements were properly applied.	✓		
H. Asset and investments registers were complete and accurate and properly maintained.	✓		
I. Periodic bank account reconciliations were properly carried out during the year.	✓		
J. Accounting statements prepared during the year were prepared on the correct accounting basis (receipts and payments or income and expenditure), agreed to the cash book, supported by an adequate audit trail from underlying records and where appropriate debtors and creditors were properly recorded.	✓		
K. If the authority certified itself as exempt from a limited assurance review in 2019/20, it met the exemption criteria and correctly declared itself exempt. (If the authority had a limited assurance review of its 2019/20 AGAR tick "not covered")			✓
L. If the authority has an annual turnover not exceeding £25,000, it publishes information on a website/webpage up to date at the time of the internal audit in accordance with the Transparency code for smaller authorities.			✓
M. The authority, during the previous year (2019-20) correctly provided for the period for the exercise of public rights as required by the Accounts and Audit Regulations (evidenced by the notice published on the website and/or authority approved minutes confirming the dates set).	✓		
N. The authority has complied with the publication requirements for 2019/20 AGAR (see AGAR Page 1 Guidance Notes).	✓		
O. (For local councils only) Trust funds (including charitable) – The council met its responsibilities as a trustee.			✓

For any other risk areas identified by this authority adequate controls existed (list any other risk areas on separate sheets if needed).

Date(s) internal audit undertaken

28/01/2021 15/04/2021

Name of person who carried out the internal audit

ENTER ANDY BEAMS

Signature of person who carried out the internal audit

Beams

Date

15/04/2021

*If the response is 'no' please state the implications and action being taken to address any weakness in control identified (add separate sheets if needed).

**Note: If the response is 'not covered' please state when the most recent internal audit work was done in this area and when it is next planned; or, if coverage is not required, the annual internal audit report must explain why not (add separate sheets if needed).

Annual Governance and Accountability Return 2020/21 Part 3

To be completed by Local Councils, Internal Drainage Boards and other Smaller Authorities*:

- where the higher of gross income or gross expenditure exceeded £25,000 but did not exceed £6.5 million; or
- where the higher of gross income or gross expenditure was £25,000 or less but that:
 - are unable to certify themselves as exempt (fee payable); or
 - have requested a limited assurance review (fee payable)

Guidance notes on completing Part 3 of the Annual Governance and Accountability Return 2020/21

1. Every smaller authority in England that either received gross income or incurred gross expenditure exceeding £25,000 **must** complete Part 3 of the Annual Governance and Accountability Return at the end of each financial year in accordance with *Proper Practices*.
2. **The Annual Governance and Accountability Return is made up of three parts, pages 3 to 6:**
 - The **Annual Internal Audit Report must** be completed by the authority's internal auditor.
 - **Sections 1 and 2 must** be completed and approved by the authority.
 - **Section 3** is completed by the external auditor and will be returned to the authority.
3. The authority **must** approve Section 1, Annual Governance Statement, before approving Section 2, Accounting Statements, and both **must** be approved and published on the authority website/webpage **before 1 July 2021**.
4. An authority with either gross income or gross expenditure exceeding £25,000 or an authority with neither income nor expenditure exceeding £25,000, but which is unable to certify itself as exempt, or is requesting a limited assurance review, **must** return to the external auditor by email or post (not both) **no later than 30 June 2021**. Reminder letters will incur a charge of £40 +VAT:
 - the Annual Governance and Accountability Return Sections 1 and 2, together with
 - a bank reconciliation as at 31 March 2021
 - an explanation of any significant year on year variances in the accounting statements
 - notification of the commencement date of the period for the exercise of public rights
 - Annual Internal Audit Report 2020/21

Unless requested, do not send any additional documents to your external auditor. Your external auditor will ask for any additional documents needed.

Once the external auditor has completed the limited assurance review and is able to give an opinion, the Annual Governance and Accountability **Section 1, Section 2 and Section 3 – External Auditor Report and Certificate** will be returned to the authority by email or post.

Publication Requirements

Under the Accounts and Audit Regulations 2015, authorities must publish the following information on the authority website/webpage:

Before 1 July 2021 authorities **must** publish:

- Notice of the period for the exercise of public rights and a declaration that the accounting statements are as yet unaudited;
- **Section 1 - Annual Governance Statement 2020/21**, approved and signed, page 4
- **Section 2 - Accounting Statements 2020/21**, approved and signed, page 5

Not later than 30 September 2021 authorities **must** publish:

- Notice of conclusion of audit
- **Section 3 - External Auditor Report and Certificate**
- **Sections 1 and 2 of AGAR** including any amendments as a result of the limited assurance review.

It is recommended as best practice, to avoid any potential confusion by local electors and interested parties, that you also publish the Annual Internal Audit Report, page 3.

The Annual Governance and Accountability Return constitutes the annual return referred to in the Accounts and Audit Regulations 2015. Throughout, the words 'external auditor' have the same meaning as the words 'local auditor' in the Accounts and Audit Regulations 2015.

*for a complete list of bodies that may be smaller authorities refer to schedule 2 to the Local Audit and Accountability Act 2014.

Guidance notes on completing Part 3 of the Annual Governance and Accountability Return (AGAR) 2020/21

- The authority **must** comply with *Proper Practices* in completing Sections 1 and 2 of this AGAR. *Proper Practices* are found in the *Practitioners' Guide** which is updated from time to time and contains everything needed to prepare successfully for the financial year-end and the subsequent work by the external auditor.
- Make sure that the AGAR is complete (no highlighted boxes left empty), and is properly signed and dated. If the AGAR contains unapproved or unexplained amendments, it may be returned and additional costs will be incurred.
- The authority **should** receive and note the Annual Internal Audit Report before approving the Annual Governance Statement and the accounts.
- Use the checklist provided below to review the AGAR for completeness before returning it to the external auditor by email or post (not both) no later than 30 June 2021.
- The Annual Governance Statement (Section 1) must be approved on the same day or before the Accounting Statements (Section 2) and evidenced by the agenda or minute references.
- The Responsible Financial Officer (RFO) must certify the accounts (Section 2) before they are presented to the authority for approval. The authority must in this order; consider, approve and sign the accounts.
- The RFO is required to commence the public rights period as soon as practical after the date of the AGAR approval.
- Do not send the external auditor any information not specifically requested. However, **you must inform your external auditor about any change of Clerk, Responsible Financial Officer or Chairman, and provide relevant authority owned generic email addresses and telephone numbers.**
- Make sure that the copy of the bank reconciliation to be sent to your external auditor with the AGAR covers all the bank accounts. If the authority holds any short-term investments, note their value on the bank reconciliation. The external auditor must be able to agree the bank reconciliation to Box 8 on the accounting statements (**Section 2, page 5**). An explanation **must** be provided of any difference between Box 7 and Box 8. More help on bank reconciliation is available in the *Practitioners' Guide**.
- Explain fully significant variances in the accounting statements on **page 5**. Do not just send a copy of the detailed accounting records instead of this explanation. The external auditor wants to know that you understand the reasons for all variances. Include complete numerical and narrative analysis to support the full variance.
- If the external auditor has to review unsolicited information, or receives an incomplete bank reconciliation, or variances are not fully explained, additional costs may be incurred.
- Make sure that the accounting statements add up and that the balance carried forward from the previous year (Box 7 of 2020) equals the balance brought forward in the current year (Box 1 of 2021).
- The Responsible Financial Officer (RFO), on behalf of the authority, **must** set the commencement date for the exercise of public rights of 30 consecutive working days which **must** include the first ten working days of July.
- The authority **must** publish on the authority website/webpage the information required by Regulation 15 (2), Accounts and Audit Regulations 2015, including the period for the exercise of public rights and the name and address of the external auditor **before 1 July 2021**.

Completion checklist – 'No' answers mean you may not have met requirements		Yes	No
All sections	Have all highlighted boxes have been completed?		
	Has all additional information requested, including the dates set for the period for the exercise of public rights , been provided for the external auditor?		
Internal Audit Report	Have all highlighted boxes been completed by the internal auditor and explanations provided?		
Section 1	For any statement to which the response is 'no', has an explanation been published?		
Section 2	Has the authority's approval of the accounting statements been confirmed by the signature of the Chairman of the approval meeting?		
	Has an explanation of significant variations from last year to this year been published?		
	Has the bank reconciliation as at 31 March 2021 been reconciled to Box 8?		
	Has an explanation of any difference between Box 7 and Box 8 been provided?		
Sections 1 and 2	Trust funds – have all disclosures been made if the authority as a body corporate is a sole managing trustee? NB: do not send trust accounting statements unless requested.		

**Governance and Accountability for Smaller Authorities in England – a Practitioners' Guide to Proper Practices*, can be downloaded from www.nalc.gov.uk or from www.ada.org.uk

Annual Internal Audit Report 2020/21

TANGMERE PARISH COUNCIL

www.tangmere-pc.gov.uk

PUBLICLY AVAILABLE WEBSITE/WEBPAGE ADDRESS

During the financial year ended 31 March 2021, this authority's internal auditor acting independently and on the basis of an assessment of risk, carried out a selective assessment of compliance with the relevant procedures and controls in operation and obtained appropriate evidence from the authority.

The internal audit for 2020/21 has been carried out in accordance with this authority's needs and planned coverage. On the basis of the findings in the areas examined, the internal audit conclusions are summarised in this table. Set out below are the objectives of internal control and alongside are the internal audit conclusions on whether, in all significant respects, the control objectives were being achieved throughout the financial year to a standard adequate to meet the needs of this authority.

Internal control objective	Yes	No*	Not covered**
A. Appropriate accounting records have been properly kept throughout the financial year.	✓		
B. This authority complied with its financial regulations, payments were supported by invoices, all expenditure was approved and VAT was appropriately accounted for.	✓		
C. This authority assessed the significant risks to achieving its objectives and reviewed the adequacy of arrangements to manage these.	✓		
D. The precept or rates requirement resulted from an adequate budgetary process; progress against the budget was regularly monitored; and reserves were appropriate.	✓		
E. Expected income was fully received, based on correct prices, properly recorded and promptly banked; and VAT was appropriately accounted for.	✓		
F. Petty cash payments were properly supported by receipts, all petty cash expenditure was approved and VAT appropriately accounted for.			✓
G. Salaries to employees and allowances to members were paid in accordance with this authority's approvals, and PAYE and NI requirements were properly applied.	✓		
H. Asset and investments registers were complete and accurate and properly maintained.	✓		
I. Periodic bank account reconciliations were properly carried out during the year.	✓		
J. Accounting statements prepared during the year were prepared on the correct accounting basis (receipts and payments or income and expenditure), agreed to the cash book, supported by an adequate audit trail from underlying records and where appropriate debtors and creditors were properly recorded.	✓		
K. If the authority certified itself as exempt from a limited assurance review in 2019/20, it met the exemption criteria and correctly declared itself exempt. (If the authority had a limited assurance review of its 2019/20 AGAR tick "not covered")			✓
L. If the authority has an annual turnover not exceeding £25,000, it publishes information on a website/webpage up to date at the time of the internal audit in accordance with the Transparency code for smaller authorities.			✓
M. The authority, during the previous year (2019-20) correctly provided for the period for the exercise of public rights as required by the Accounts and Audit Regulations (evidenced by the notice published on the website and/or authority approved minutes confirming the dates set).	✓		
N. The authority has complied with the publication requirements for 2019/20 AGAR (see AGAR Page 1 Guidance Notes).	✓		
O. (For local councils only) Trust funds (including charitable) – The council met its responsibilities as a trustee.			✓

For any other risk areas identified by this authority adequate controls existed (list any other risk areas on separate sheets if needed).

Date(s) internal audit undertaken

28/01/2021 15/04/2021

Name of person who carried out the internal audit

ENTER ANDY BEAMS

Signature of person who carried out the internal audit

Beams

Date

15/04/2021

*If the response is 'no' please state the implications and action being taken to address any weakness in control identified (add separate sheets if needed).

**Note: If the response is 'not covered' please state when the most recent internal audit work was done in this area and when it is next planned; or, if coverage is not required, the annual internal audit report must explain why not (add separate sheets if needed).

Section 1 – Annual Governance Statement 2020/21

We acknowledge as the members of:

ENTER NAME OF AUTHORITY

our responsibility for ensuring that there is a sound system of internal control, including arrangements for the preparation of the Accounting Statements. We confirm, to the best of our knowledge and belief, with respect to the Accounting Statements for the year ended 31 March 2021, that:

	Agreed		'Yes' means that this authority:
	Yes	No*	
1. We have put in place arrangements for effective financial management during the year, and for the preparation of the accounting statements.			<i>prepared its accounting statements in accordance with the Accounts and Audit Regulations.</i>
2. We maintained an adequate system of internal control including measures designed to prevent and detect fraud and corruption and reviewed its effectiveness.			<i>made proper arrangements and accepted responsibility for safeguarding the public money and resources in its charge.</i>
3. We took all reasonable steps to assure ourselves that there are no matters of actual or potential non-compliance with laws, regulations and Proper Practices that could have a significant financial effect on the ability of this authority to conduct its business or manage its finances.			<i>has only done what it has the legal power to do and has complied with Proper Practices in doing so.</i>
4. We provided proper opportunity during the year for the exercise of electors' rights in accordance with the requirements of the Accounts and Audit Regulations.			<i>during the year gave all persons interested the opportunity to inspect and ask questions about this authority's accounts.</i>
5. We carried out an assessment of the risks facing this authority and took appropriate steps to manage those risks, including the introduction of internal controls and/or external insurance cover where required.			<i>considered and documented the financial and other risks it faces and dealt with them properly.</i>
6. We maintained throughout the year an adequate and effective system of internal audit of the accounting records and control systems.			<i>arranged for a competent person, independent of the financial controls and procedures, to give an objective view on whether internal controls meet the needs of this smaller authority.</i>
7. We took appropriate action on all matters raised in reports from internal and external audit.			<i>responded to matters brought to its attention by internal and external audit.</i>
8. We considered whether any litigation, liabilities or commitments, events or transactions, occurring either during or after the year-end, have a financial impact on this authority and, where appropriate, have included them in the accounting statements.			<i>disclosed everything it should have about its business activity during the year including events taking place after the year end if relevant.</i>
9. (For local councils only) Trust funds including charitable. In our capacity as the sole managing trustee we discharged our accountability responsibilities for the fund(s)/assets, including financial reporting and, if required, independent examination or audit.	Yes	No	N/A <i>has met all of its responsibilities where, as a body corporate, it is a sole managing trustee of a local trust or trusts.</i>

*Please provide explanations to the external auditor on a separate sheet for each 'No' response and describe how the authority will address the weaknesses identified. These sheets must be published with the Annual Governance Statement.

This Annual Governance Statement was approved at a meeting of the authority on:

DD/MM/YY

and recorded as minute reference:

MINUTE REFERENCE

Signed by the Chairman and Clerk of the meeting where approval was given:

Chairman

SIGNATURE REQUIRED

Clerk

SIGNATURE REQUIRED

ENTER PUBLICLY AVAILABLE WEBSITE/WEBPAGE ADDRESS

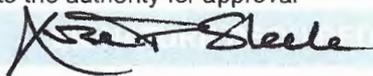
Section 2 – Accounting Statements 2020/21 for

TANGMERE PARISH COUNCIL

	Year ending		Notes and guidance
	31 March 2020 £	31 March 2021 £	
1. Balances brought forward	138,554	113,379	<i>Total balances and reserves at the beginning of the year as recorded in the financial records. Value must agree to Box 7 of previous year.</i>
2. (+) Precept or Rates and Levies	68,020	79,293	<i>Total amount of precept (or for IDBs rates and levies) received or receivable in the year. Exclude any grants received.</i>
3. (+) Total other receipts	95,572	40,572	<i>Total income or receipts as recorded in the cashbook less the precept or rates/levies received (line 2). Include any grants received.</i>
4. (-) Staff costs	35,017	38,491	<i>Total expenditure or payments made to and on behalf of all employees. Include gross salaries and wages, employers NI contributions, employers pension contributions, gratuities and severance payments.</i>
5. (-) Loan interest/capital repayments	14,514	9,676	<i>Total expenditure or payments of capital and interest made during the year on the authority's borrowings (if any).</i>
6. (-) All other payments	139,236	115,816	<i>Total expenditure or payments as recorded in the cashbook less staff costs (line 4) and loan interest/capital repayments (line 5).</i>
7. (=) Balances carried forward	113,379	69,261	<i>Total balances and reserves at the end of the year. Must equal (1+2+3) - (4+5+6).</i>
8. Total value of cash and short term investments	98,921	48,278	<i>The sum of all current and deposit bank accounts, cash holdings and short term investments held as at 31 March – To agree with bank reconciliation.</i>
9. Total fixed assets plus long term investments and assets	1,294,390	1,323,660	<i>The value of all the property the authority owns – it is made up of all its fixed assets and long term investments as at 31 March.</i>
10. Total borrowings	63,654	56,954	<i>The outstanding capital balance as at 31 March of all loans from third parties (including PWLB).</i>
11. (For Local Councils Only) Disclosure note re Trust funds (including charitable)	Yes	No	<i>The Council, as a body corporate, acts as sole trustee for and is responsible for managing Trust funds or assets.</i>
		✓	<i>N.B. The figures in the accounting statements above do not include any Trust transactions.</i>

I certify that for the year ended 31 March 2021 the Accounting Statements in this Annual Governance and Accountability Return have been prepared on either a receipts and payments or income and expenditure basis following the guidance in Governance and Accountability for Smaller Authorities – a Practitioners' Guide to Proper Practices and present fairly the financial position of this authority.

Signed by Responsible Financial Officer before being presented to the authority for approval



Date

14/04/2021

I confirm that these Accounting Statements were approved by this authority on this date:

as recorded in minute reference:

Signed by Chairman of the meeting where the Accounting Statements were approved

Section 3 – External Auditor’s Report and Certificate 2020/21

In respect of

ENTER NAME OF AUTHORITY

1 Respective responsibilities of the auditor and the authority

Our responsibility as auditors to complete a **limited assurance review** is set out by the National Audit Office (NAO). A limited assurance review is **not a full statutory audit**, it does not constitute an audit carried out in accordance with International Standards on Auditing (UK & Ireland) and hence it **does not** provide the same level of assurance that such an audit would. The UK Government has determined that a lower level of assurance than that provided by a full statutory audit is appropriate for those local public bodies with the lowest levels of spending.

Under a limited assurance review, the auditor is responsible for reviewing Sections 1 and 2 of the Annual Governance and Accountability Return in accordance with NAO Auditor Guidance Note 02 (AGN 02) as issued by the NAO on behalf of the Comptroller and Auditor General. AGN 02 is available from the NAO website – <https://www.nao.org.uk/code-audit-practice/guidance-and-information-for-auditors/> .

This authority is responsible for ensuring that its financial management is adequate and effective and that it has a sound system of internal control. The authority prepares an Annual Governance and Accountability Return in accordance with *Proper Practices* which:

- summarises the accounting records for the year ended 31 March 2021; and
- confirms and provides assurance on those matters that are relevant to our duties and responsibilities as external auditors.

2 External auditor’s limited assurance opinion 2020/21

(Except for the matters reported below)* on the basis of our review of Sections 1 and 2 of the Annual Governance and Accountability Return, in our opinion the information in Sections 1 and 2 of the Annual Governance and Accountability Return is in accordance with Proper Practices and no other matters have come to our attention giving cause for concern that relevant legislation and regulatory requirements have not been met. (*delete as appropriate).

(continue on a separate sheet if required)

Other matters not affecting our opinion which we draw to the attention of the authority:

(continue on a separate sheet if required)

3 External auditor certificate 2020/21

We certify/do not certify* that we have completed our review of Sections 1 and 2 of the Annual Governance and Accountability Return, and discharged our responsibilities under the Local Audit and Accountability Act 2014, for the year ended 31 March 2021.

*We do not certify completion because:

External Auditor Name

ENTER NAME OF EXTERNAL AUDITOR

External Auditor Signature

SIGNATURE REQUIRED

Date

DD/MM/YY