



# Holme Valley Parish Council

## Internal Audit Report [Interim]

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**Date of Interim Visit:** 08 January 2020

**Financial Year Ended:** 31 March 2020

**Prepared by:** Internal Audit Yorkshire

**Internal Auditor:** Ms Safia Kauser CILCA

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**Status:** Final

**Date Report Issued:** 28 January 2020

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**This internal audit report is based upon best practice guidelines set out in the Practitioners' Guide to Governance and Accountability for Local Authorities.**

Internal audit is an on-going function, undertaken regularly throughout the financial year, to test the continuing existence and adequacy of the authority's internal controls. It results in an annual assurance report to members designed to improve effectiveness and efficiency of the activities and operating procedures under the authority's control. Managing the authority's internal controls is a day-to-day function of the authority's staff and management, and not the responsibility of internal audit.

**Internal audit does not involve the detailed inspection of all records and transactions of an authority in order to detect error or fraud.**

[Source 'Governance and Accountability for Small Authorities in England Practitioners Guide 2018']

## **1. Background**

1.1 Authorities in England operate within a legal framework which provides them with the necessary statutory powers and authority to deliver local public services. Authorities and their clerks/chief executives/RFOs should always be aware of, and have regard to, the legal power they are exercising when deciding on any action including to spend public money.

1.2 The proper practices for smaller authorities (Town and Parish Council's) are included in the Governance and Accountability for Smaller Authorities [March 2018], a Practitioners Guide. Smaller authorities in England must complete an Annual Return and an Annual Governance Statement to the public. The Annual Return must be submitted to the external auditor within the statutory deadline of 30 June.

## **2. Purpose of Internal Audit**

2.1 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.

2.2 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. The internal audit function must be independent from the management of the financial controls and procedures of the authority which are the subject of review. The person or persons carrying out internal audit must be competent to carry out the role in a way that meets the business needs of the authority.

2.3 The objectives for Internal Audit Yorkshire are to undertake a programme of work to help discharge the statutory internal audit responsibilities and form a judgement of the effectiveness of internal control arrangements during the financial year. Our objective going forward will be to follow up on our internal audit work completed and provide feedback to the Council on the effectiveness of new controls. The key systems and processes will range from:

- Proper book-keeping including the cash book; bank reconciliations
- Standing orders and financial regulations;
- Payment controls/petty cash; Income controls;
- Budgetary controls; Petty cash procedure;
- Payroll controls; Asset control;
- Year-end procedures; and risk management arrangements.

The list is not exhaustive and can vary from each authority who can agree a specific programme of work with its internal auditor provider each year.

## **3. Our Objectives and Programme of Work**

3.4 Our programme of cover has been designed to afford reasonable assurance that the Councils financial systems are robust and are operating in an effective manner and in compliance with the statutory legal framework.

3.5 Our work during this visit will contribute towards the judgements on the internal control objectives in the Annual Internal Audit Report which forms part of the Councils Annual Governance and Accountability Return which we will complete for the Council in May 2020.

## 4. Our Scope of Work During the Interim Visit

4.1 This report covers findings from the visit in January 2020. We covered the following areas:

- Book Keeping and Bank Reconciliations
- Standing Orders and Financial Regulations
- Payment Controls and Expenditure Testing
- VAT
- Risk Management Arrangements
- Budgetary Controls
- Income Controls including the precept
- Petty Cash
- Payment Controls
- Asset Management
- Data Transparency Code
- General [Additional Comments/Recommendations]

We would like to thank the Clerk Liz Bennett and the RFO, Rich McGill for all their help and assistance during the audit.

## 5. FINDINGS

### 5.1 Book Keeping and Bank Reconciliations

<b>OBJECTIVE:</b>	To obtain assurance that the books of account have been properly kept throughout the year and that data input controls are accurate
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5.2 The cash book is the main focus for the day-to-day accounting and balancing off and reconciliation to the bank statement, and remains the most important control over the accounting system. We checked the cashbook to ensure that the opening balances were entered into the cashbook and agreed with the previous year's closing cash balances. Although the cashbook was found to be up to date, we found that the opening balances had not been entered into the spreadsheet, therefore the cashbook did not record the councils cash balances to date. An up to date cash book with the opening balances is essential because the statements provided by the bank will not necessarily be a reliable record of the Councils cash balances and therefore the Council may be required to refer to the cashbook instead.

<b>Recommendation 1:</b> That the opening balances are entered into the cashbook to ensure it is up to date and records the Councils cash balances.
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5.3 The Council is currently operating a manual cashbook in Excel and is reliant on data input and formulas by the RFO to ensure that the arithmetic is correct. Given the level of turnover for the Council and the number of monthly transactions, it is recommended that the Council transfer to a computerised accounting system. We understand that the Council have obtained a quote for the RBS Omega accounts package. This will give the Council greater control over the consistency of data input and the reliability of information reported by the system and how it is then processed. The RBS system will also assist in the management and reporting of the accounts and will assist in the detailed workings of the annual return. This will save the Council considerable amount of time at the year end when preparing the year end accounts for internal and external audit.

<b>Recommendation 2:</b> That the Council transfers to the computerised RBS Omega Accounts system as it will provide the Council with greater control and consistency and will assist with the preparation of the year end accounts.
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5.4 We reviewed the bank reconciliation statements and found these to be accurate in accordance with the bank statements. Although the bank reconciliation statements are reported to the Finance and Management committee on a regular basis, we noted that the verification of the statement is not carried out by the committee. Approval of the bank reconciliation by the authority or the chair of finance or another authority nominee is not only good practice but it is also a safeguard for the RFO.

**Recommendation 3:** That the Finance and Management committee appoints a member, other than a cheque signatory to verify the bank reconciliation statements for all accounts (produced by the RFO), to be verified in the presence of committee members and formally minuted.

## 5.5 Standing Orders and Financial Regulations

<b>OBJECTIVE:</b>	To obtain assurance that Standing Orders, Financial Regulations and Appropriate payment controls (payments supported by invoices, expenditure is approved, VAT is correctly accounted for) are in place and are followed.
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5.6 A review of the minutes confirmed that the Council adopted both the Standing Orders and Financial Regulations at the Annual Meeting on the 18 May 2019. Having reviewed each of the documents adopted, we noted that although the documents were based on the NALC model; both the Standing Orders and Financial Regulations had not been reviewed against the latest model documents issued by NALC in 2019.

**Recommendation 4:** That the Standing Orders and Financial Regulations are reviewed to ensure that they are up to date in accordance with the National Association of Local Council [NALC] model documents and tailored to the Council as required.

## 5.7 Payment Controls and Expenditure Testing

5.8 The payments process should always be carried out in accordance with the authority's Financial Regulations. The Council is currently operating with electronic banking. All invoices received are stamped with an authorisation stamp that requires two signatories to sign off the payment. The invoice is then verified by the Clerk or a third signatory, before the online payment is made by the RFO. The online banking statement is then attached to the invoice for record purposes to verify that the payment made in accordance with the invoice. A monthly payments schedule is then presented to the Finance and Management committee for review and retrospective approval of all payments made since the last meeting.

5.9 We tested a number of large payments made by the authority to test if the payments had been made in accordance with the Councils Financial Regulations. As far as possible, a fully priced official order should be sent to suppliers in advance of delivery of goods. Official orders commit both a supplier to a price and help prevent unauthorised credit being granted in the authority's name. On receipt of invoices, verification that the relevant goods or services have been received should be obtained and invoices checked against the purchase order, contract or agreement. Whilst we found that most of the payments had been authorised in advance; we also found that the authorisation stamp field indicating the minute/authorisation reference was not routinely completed and the majority of the invoices were not supported by a purchase order. For example, we tested the payment of the annual rent of £10,000 to the Holme Valley Charity Trust and the subsequent insurance payment of £4,729 by the Council, however on the face of the invoice, there was no authorisation reference or contract on file to confirm the agreement of such fees between the Council and the Charitable Trust.

5.10 We noted from our discussions with the Clerk and RFO that a column was going to be introduced into the payments schedule to confirm the legal power that that Council was relying on to incur the expenditure.

**Recommendation 5:** That a copy of the contract is retained in the Council office between the Council and the Holme Valley Charitable Trust relating to payments for the annual rent and insurance of the Civic Hall.

**Recommendation 6:** That all invoices indicate the authorisation minute reference or Financial Regulation reference that authorises the payment. That all invoices are accompanied by a purchase order [where applicable] or reference to a purchase order number, contract or Financial Regulation reference where payment is made on account or via a direct debit arrangement.

**Recommendation 7:** That the payments schedule presented to Committees includes an authorisation reference column that confirms the authorisation of each individual payment and the power the Council is relying on to incur the expenditure.

### 5.11 Charge Card

5.12 The RFO explained that the Council is looking into the use of a Charge Card for the Clerk and RFO for purchases that cannot be made via the normal ordering process for example online purchases and subscriptions. Other than the Financial Regulations, there are no specific policies in place to govern the use of any charge cards.

**Recommendation 8:** Where the Council introduces a charge card; we recommend that the operation of the charge card follows the requirements of the Financial Regulations and that appropriate procedures are in place to manage their use. Procedures should include the limit of the cards, designated card holders and a process in place for cancellation in the event the card holder leaves.

### 5.13 VAT

5.14 The Council is not VAT registered and normally has claimed VAT on a six-monthly basis. The current RFO is looking at completing the VAT on a quarterly basis and HMRC have been notified of the change. The VAT records were reviewed and we can confirm that the VAT returns have been claimed correctly and are up to date at the time of our visit.

### 5.15 Risk Management Arrangements

<b>OBJECTIVE:</b>	To obtain assurance that risk management arrangements are adequate to manage all identified risks.
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5.16 Risk management is the process whereby authorities methodically address the risks associated with what they do and the services which they provide. Risk management is an ongoing activity that comprises four elements: identifying risks; assessing risks; addressing risks; and reviewing and reporting. This is demonstrated by key documents the Council should have in place which include a Risk Assessment and a system of internal controls.

- 5.17 The Council does not have a system in place where it carries out a check of its internal controls. The internal controls check should be carried out by the Council at least on an annual basis and separately documented and formally recorded in the Council minutes.
- 5.18 At the time of the audit, the RFO was in the process of reviewing the risk assessment document with a view to updating it and presenting it to the Finance and Management committee. We would expect to see the risk assessment to include all key risks facing the Council, evaluate potential consequences to the Council if an event identified as a risk takes place, decide upon appropriate measures to avoid, reduce or control the risk, record any conclusions reached and monitor any resulting risk mitigation plans.
- 5.19 The Councils Financial Regulations, section 17.1 refer to 'risk management policy statements'. From conversations with the Clerk and RFO we understand that the Council does not have a Risk Management Policy in place. We would recommend that a policy is introduced as it will assist both members and officers in the discharge of their responsibilities in compliance with the Financial Regulations.

**Recommendation 9:** That a Risk Assessment Policy is introduced and adopted by the Council.

**Recommendation 10:** That the Council reviews and adopts the annual risk assessment to include all key risks facing the Council and controls in place to reduce the level of risk.

- 5.20 The approved and signed minutes of Council and committee meetings are an essential record of decisions made by the Council without further proof. In accordance with the Local Government 1972 c. 70 SCHEDULE 12 Part VI Paragraph 41 all Council and Committee minutes must be signed and entered into a book. The minutes of meetings may be recorded on loose leaves consecutively numbered; the minutes must be signed and each loose-leaf page initialled at the same or next suitable meeting of the Council or Committee.
- 5.21 During our audit visit, we found that some Council and Committee minutes had not been signed and retained in their respective files/minute books. In compliance with the law as referenced above in section 5.20, all minutes should be signed at the next meeting and original copies filed and made available on inspection [if required].

**Recommendation 11:** That all council and committee minutes are signed at their next meeting and loose-leaf pages initialled and numbered in accordance with the Local Government Act 1972 c.70 Schedule 12 Part VI; paragraph 41 and retained on file.

- 5.22 The insurance policy was reviewed. The main insurable risks of public liability, employer's liability and fidelity guarantee are in place. A list of specific council assets were insured with Zurich, however officers were unable to confirm when a review of the asset register against the insurance policy had taken place to ensure.

**Recommendation 12:** To confirm with the insurers that an adequate level of insurance cover is obtained for all council assets; once a review of the asset register has been undertaken.

## 5.23 General Data Protection Regulations [GDPR]

5.24 The General Data Protection Regulations came into force on the 25 May 2018. Due to the financial risk associated with the new Data Protection Regulations, Data Protection forms part of the Councils Risk Assessment. We understand that due to the significant staffing changes, the Council has been unable to introduce the new GDPR policies relevant to the authority.

**Recommendation 13:** That the Council introduces policies relevant to the authority to comply with the General Data Protection Regulations. The SLCC have a GDPR Checklist and model policies that the Council should consider adopting as required.

## 5.25 Back-up of Electronic Files

5.26 The Council has arrangements in place for the security and automated back-up of its data on the cloud. There is an additional back up undertaken on a quarterly basis on a hard drive which is kept away from the Council offices.

## 5.27 Budgetary Controls and Financial Health

<b>OBJECTIVE:</b>	Verify the annual precept request is the result of a proper budget process, that budget progress has been regularly monitored and the Councils reserves are appropriate.
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5.28 The preparation of an annual budget is one of the key statutory tasks to be undertaken by an authority, irrespective of its size. The budgets purpose is to assist the authority in setting the precept for the year, [subject to the authority's Financial Regulations] it gives the clerk and other officers overall authority to make spending commitments in accordance with the plans approved by members; and it provides a basis for monitoring progress during the year by comparing actual spending against planned spending.

5.29 We can confirm that the budget was monitored throughout the financial year by the Council and the Finance and Management committee. Each of the Councils standing committees with a delegated budget received a budget monitoring report.

5.30 Each Standing committee has reviewed their budget and submitted their bid to the Finance and Management committee who are discharged to collate the budget. We reviewed a copy of the draft budget prepared by the RFO. This document included the committee bids and the base budget for the next financial year. The budget document included a breakdown of the Earmarked reserves totalling £85,223 and general reserves of £130,679 representing over 40% of expenditure. We normally recommend a general reserve of between 3-6 months of expenditure; therefore, the Council will need to monitor the balances to ensure that the level of balances remains satisfactory.

## 5.31 Income Controls Including Precept

<b>OBJECTIVE:</b>	Obtain assurance that income controls are in place and operating effectively.
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5.32 The precept represented the largest income received by the Council. We tested the precept approved to confirm that it agreed to the authority notification and the money received and banked. We can confirm that the precept demand of £275,176.33 was received in one installment on 01 May 2019.

5.33 In addition to the Councils precept, the authority receives approximately £900 rent from the allotments and garages and approximately £5,000 to £6,000 in toilet donations. Occasionally the Council receives donations towards the benches. We noted that the RFO has retained the income records on a separate excel document. Although this is a useful form of record keeping, we noted that the income transactions did not form part of the cashbook, therefore not representing an accurate record of the cashbook which should record all income and expenditure transactions. We have already identified areas for improvement relating to the cashbook in paragraph 5.2. We noted that a review of the allotments charges is undertaken on an annual basis, although the charges have remained the same for the last six years.

**Recommendation 14:** That the income transactions are integrated within the monthly cashbook records on the dates they were deposited into the accounts.

5.34 We reviewed the Councils Investment Strategy Policy and noted that monies were being deposited into the CCLA bank accounts in accordance with the Policy.

### 5.35 Petty Cash

<b>OBJECTIVE:</b>	Petty Cash: Obtain assurance that income controls are in place and operating effectively.
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5.36 Internal audit requires a verification of the actual cash in the petty cash tin to agree with the supporting vouchers, invoices or receipts. Floats should be adequate in size to meet small items of expenditure and should not require reimbursement more frequently than once a month. The Council has a petty cash float of £100. Discussions with the Clerk and RFO highlighted that the officers did not make use of the petty cash float as there was not a need identified for it.

5.37 Our testing of the petty cash tin found that there was £94.00 cash in the tin and receipts totalling £9.48. A discrepancy of £3.48 was identified between the petty cash float and the expenditure incurred. There was no summary record of the expenditure or vouchers in place to support the receipts, therefore there was inadequate records in place to identify the discrepancy.

**Recommendation 15:** That the RFO introduces a summary expenditure sheet to record the opening balance of the petty cash, individual expenditure transactions and petty cash vouchers with the receipts to support the expenditure entries in the summary sheet.

**Recommendation 16:** That the Council carries out a review of the petty cash system and formally minutes the decision if it wishes to retain a petty cash float.

### 5.38 Payroll Controls

<b>OBJECTIVE:</b>	Obtain assurance that payroll costs are supported by employment contracts, expenditure is approved and PAYE/NIC is properly operated.
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5.39 The Council currently employs two postholders; the Clerk and the Deputy Clerk/Responsible Financial Officer. As an employer the Council must operate PAYE/NIC [Pay as you earn; National Insurance Contributions]. If the correct deduction is not made by the employer, HMRC has the right to seek the lost tax and contributions from the employer. We understand from our conversations with the Clerk, that there is some outstanding HMRC liability in dispute relating to an employee. This may have been as a result of the calculations undertaken by the previous Locum Clerk/RFO in the earlier part of the financial year. During our audit visit we were unable to verify the costs and liability in dispute and we did not see any evidence in the form of letters



from HMRC to confirm what the current situation was. However, we did note that the matter was being dealt with and would be reported to the relevant committee. We would seek confirmation from HMRC or the Council on our final visit in May that all outstanding liabilities in dispute relating to the employee in question are up to date and paid across to HMRC.

**Recommendation 17:** That all outstanding liabilities in dispute to HMRC are corrected and outstanding payments are made and reported to the relevant committee.

- 5.40 We reviewed the contracts of employment for both employees and can confirm that the salary payments have been tested and the salary paid is consistent with the rates in accordance with the contracts. The Council runs the payroll in-house using the HMRC Basic PAYE Tools software and Microsoft Excel is used to print off the payslips. With the exception of the findings in paragraph 5.37 we can confirm that the salary payments included the correct deductions and payments made to HMRC. We have noted that the employees receive SCP incremental rises from the 01 April. We would expect to see a confirmation in the Staffing minutes of the incremental rises paid to employees in accordance with the contracts of employment.
- 5.41 We noted that the Council is a member of the West Yorkshire Pension Fund which is reviewed by the Finance and Management Committee. We can confirm that the Council as an employer is meeting their legal obligations in regards to Pensions.

## 5.42 Asset Register

<b>OBJECTIVE:</b>	Obtain assurance that all material assets are accounted for correctly.
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- 5.43 An asset register is the starting point for any system of financial control over assets as it facilitates the effective physical control over assets; provides the information that enables the Council to make the most cost-effective use of its capital resources and ensures that no asset is overlooked or underutilised and is therefore used most efficiently. Most assets should be first recorded in the asset register at their actual purchase cost. In some cases, the purchase cost may not be known at acquisition, therefore a nominal fee of £1.00 should be entered. The date of acquisition, location and disposal should be included within the asset register.
- 5.44 During the course of our audit, we found that the RFO was in the process of updating the asset register. It is understood that a full review of the Asset register was last undertaken approximately over two years ago. We were informed by the Clerk that some benches had not been recorded on the Asset Register as they were no longer there due to the benches having gone missing or deceased. The changes had been picked up by a newly appointed Council maintenance contractor who was tasked to carry out an audit of the Councils benches. The maintenance contractor was due to audit the toilets, bus shelters and phone boxes. It was noted that the public toilets had not been recorded on the register; these should be recorded on the register as they represent the Councils fixed assets. We reviewed the current register and found that it did not record any values of the asset at purchase cost or nominal fee. We requested copies of the record of deeds, articles and land register references to ensure that they were available for reference on file. We were informed that the building deeds were with the Councils solicitors and there was no asset transfer documentation on file for the toilets, benches, bus shelters and phone boxes which had been transferred over a year ago. The Council as a matter of good practice and for reference purposes should be retaining copies of these documents to evidence that they own and manage the assets.

5.45 Trust assets held by the authority as custodian or managing trustee should, be recorded in the authority's asset register and identified there as 'charity assets held by the authority as trustee' with their value excluded from the total. We can confirm that the Civic Hall (owned by the Town Council but managed by the Civic Trust) had not been included on the asset register under this heading.

**Recommendation 18:** That the Council undertakes a full review of the Asset Register with checks undertaken to confirm that the assets physically exist and that the Asset Register is updated to include date of acquisition, purchase cost, disposal register (if applicable), replacement/insurance valuation and the total value of the fixed assets.

**Recommendation 19:** That the Civic Hall is included on the Asset Register and identified as 'Charity Assets held by the authority as a trustee' with the value excluded from the total in the asset register.

**Recommendation 20:** That the Council introduces an Asset Register Policy which outlines the procedure for updating and maintaining the register, and to include a particular method of asset valuation to be applied consistently from year to year. The method of asset valuation adopted should be set out within the policy approved by the Council and recorded in the minutes and in the asset register.

5.46 We will be reviewing the recommendations addressed in relation to the asset register during our final audit visit in May which will assist us to answer our internal audit assurance on the AGAR relating to the Council's fixed assets.

#### **5.47 [Other Matters] Local Government Data Transparency Code 2015**

5.48 The Council's website is a more important method of communication with residents as well as being part of the statutory requirement for the publication of Councillors register of interests, more frequently referred to as Disclosable Pecuniary Interests (DPI's) and the statutory requirement regarding the publication of the Annual Returns and the Transparency Code. This requires smaller authorities with a turnover below £25,000 per annum or over £200,000 to publish a lot more information on its website which came into effect from 1 April 2015. Agendas, Minutes and Meeting Documents must also be published within the timescales set by the Code.

5.49 We found that whilst the Council is complying in some areas with the Code, for example uploading agendas and minutes; we also found that it was not fully complying with the code in other areas. Examples of this relate to the uploading of expenditure payments exceeding £500 which must be published on a quarterly basis; procurement information relating to contracts exceeding £5,000 and Local Authority Land and Building Assets register.

**Recommendation 21:** That the Council sets up a page on its website setting out the requirements of the Local Government Data Transparency Code with the compliance information published on this webpage for download or links where the public can access/locate the information within other areas of the website.

## 6. [General] Additional Comments / Recommendations

- 6.1 We understand that the Council has faced a number of challenges since the departure of its former Clerk that was employed by the authority for a number of years and resigned in 2018. Whilst the organisation has had to address the challenges it's faced, we have found that in general it has made good progress to ensure that checks and balances are in place and that the Council is fully compliant with audit matters, HMRC, VAT and other governing bodies. The employment of the new Clerk on 01 April 2019 and the further appointment of the Deputy Clerk/RFO appointed on 26 August 2019 has provided the Council with good management support to ensure that it has sufficient staffing capacity to deliver the Council's aims, objectives and services whilst complying with the statutory and legal framework for Local Government Town and Parish Councils.
- 6.2 We noted that the Council had an independent review of the Financial Governance of the Parish Council and Holme Valley Land Charity, a report that was issued on the 18th October 2019. We understand that the basis of the report was to establish if there was any further element of fraud by the former Clerk. The report was well received by members and the recommendations are being addressed by Officers. Given the previous situation that the Council faced with the former Clerk and in compliance with the Local Government Act, section 117 'Disclosure by officers of interest in contracts' we would recommend that an additional internal control is introduced to protect both members and officers from a similar situation to arise again in the future. The Council should consider introducing an Officers Declarations of Interests Form to be completed by its employees and retained on file and as a matter of good practice, all Council agendas should include a dedicated agenda item for Officers to declare any interests in accordance with S117.

**Recommendation 22:** In compliance with the Local Government Act section 117; it is recommended that the Council introduces procedures to regularly monitor officers' declarations of interests and that these are routinely declared at Council meetings and considered as necessary.

**Recommendations Action Plan attached in Appendix document**

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**End of Report**

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# Interim Internal Audit Report 2019/20

## Appendix [Action Plan]

No	Recommendation	Responsibility	Timescale
1	That the opening balances are entered into the cashbook to ensure it is up to date and records the Councils cash balances.		
2	That the Council transfers to the computerised RBS Omega Accounts system as it will provide the Council with greater control and consistency and will assist with the preparation of the year end accounts.		
3	That the Finance and Management committee appoints a member, other than a cheque signatory to verify the bank reconciliation statements for all accounts (produced by the RFO), to be verified in the presence of committee members and formally minuted.		
4	That the Standing Orders and Financial Regulations are reviewed to ensure that they are up to date in accordance with the National Association of Local Council [NALC] model documents and tailored to the Council as required.		
5	That a copy of the contract is retained in the Council office between the Council and the Holme Valley Charitable Trust relating to payments for the annual rent and insurance of the Civic Hall.		
6	That all invoices indicate the authorisation minute reference or Financial Regulation reference that authorises the payment. That all invoices are accompanied by a purchase order [where applicable] or reference to a purchase order number, contract or Financial Regulation reference where payment is made on account or via direct debit arrangement.		
7	That the payments schedule presented to Committees includes an authorisation reference column that confirms that authorisation of each individual payment and the power the Council is relying on to incur the expenditure.		

8	Where the Council introduces a charge card; we recommend that the operation of the charge card follows the requirements of the Financial Regulations and that appropriate procedures are in place to manage their use. Procedures should include the limit of the cards, designated card holders and a process in place for cancellation in the event the card holder leaves.		
9	That a Risk Assessment Policy is introduced and adopted by the Council.		
10	That the Council reviews and adopts the annual risk assessment to include all key risk facing the Council and controls in place to reduce the level of risk.		
11	That all council and committee minutes are signed at their next meeting and loose-leaf pages initialled and numbered in accordance with the Local Government Act 1972 c.70 Schedule 12 Part VI; paragraph 41 and retained on file.		
12	To confirm with the insurers that an adequate level of insurance cover is obtained for all council assets; once a review of the asset register has been undertaken.		
13	That the Council introduces policies relevant to the authority to comply with the General Data Protection Regulations. The SLCC have a GDPR Checklist and model policies that the Council should consider adopting as required.		
14	That the income transactions are integrated within the monthly cashbook records on the dates they were deposited into the accounts.		
15	That the RFO introduces a summary expenditure sheet to record the opening balance of the petty cash, expenditure transactions and petty cash vouchers with the receipts to support the expenditure entries in the summary sheet.		
16	That the Council carries out a review of the petty cash system and formally minutes the decision if it wishes to retain a petty cash float.		
17	That all outstanding liabilities in dispute to HMRC are corrected and outstanding payments are made and reported to the relevant committee.		

18	That the Council undertakes a full review of the Asset Register with checks undertaken to confirm that the assets physically exist and that the Asset Register is updated to include date of acquisition, purchase cost, disposal register (if applicable), replacement/insurance valuation and the total value of the fixed assets.		
19	That the Civic Hall is included on the Asset Register and identified as 'Charity Assets held by the authority as a trustee' with the value excluded from the total in the asset register.		
20	That the Council introduces an Asset Register Policy which outlines the procedure for updating and maintaining the register, and to include a particular method of asset valuation to be applied consistently from year to year. The method of asset valuation adopted should be set out within the policy approved by the Council and recorded in the minutes and in the asset register.		
21	That the Council sets up a page on its website setting out the requirements of the Local Government Data Transparency Code with the compliance information published on this webpage for download or links where the public can access/locate the information within other areas of the website.		
22	In compliance with the Local Government Act section 117; It is recommended that the Council introduces procedures to regularly monitor officers' declarations of interests and that these are routinely declared at Council meetings and considered as necessary.		