

Risk Assessment HIGH 0 MEDIUM 0 LOW 16	<p style="text-align: center;">Wrotham Parish Council INTERNAL AUDIT 2020-2021 AUDIT PLAN WITH COMMENTS / FINDINGS</p> <p>I am pleased to report to Members of the Wrotham Parish Council (the “Council”), that I have completed my year-end internal audit of the Council’s records for the twelve month period to 31 March 2021, following my audit visit and subsequent conversations on 16 April 2021.</p> <p>Councillors should be aware that my work cannot be relied upon to identify the occasional omission or insignificant error, nor do I actively seek evidence of breaches of trust or statute, neglect or fraud, which may have taken place. It is the responsibility of the Councillors of the Council to guard against such events, but if during my audit testing such events are discovered I am duty bound to disclose such events to the Council.</p> <p>I would like to take this opportunity to thank the Clerk/RFO, Ms Lesley Cox for their assistance given to me during my audit visit.</p>	
Area	Item	Comments / Findings Year-end Audit 31 March 2021
Previous Audits	<ul style="list-style-type: none"> • Date of last External Audit Certificate or Exemption Certificate for 2019-20 • Comments if any • Publication on website. • Date of last Internal Audit • Comments if any • Review of any items outstanding from previous internal / external audit reports. 	<p>PKF Littlejohn signed off the AGAR 2019-20 on 14 July 2020 The Report from PKF Littlejohn (Section 3) was sent via email to all Cllrs to note as there were no matters raised requiring attention. No matters raised.</p> <p>Conclusion of Audit Notice and Section 3 posted on the website on 17 July 2020.</p> <p>28 April 2020 Report was considered by Cllrs and comments and an action plan noted in the – 6 May 2020 Min 12.</p> <p>Invitation to “virtual meetings”, “Accessibility – speech facility” (quote accepted Council 3 June 2020 Min 7) and continuing progress with the digital library of assets.</p>
Minutes	<ul style="list-style-type: none"> • Scan of the minutes of the Council’s meetings and the Finance Committee. • Virtual Meetings ? • General Power of Competence (GPC) ? • Dispensations • S.40 LA&A Act 2014 filming/recording 	<p>Minutes viewed.</p> <p>The Clerk advised that the “Zoom – virtual meetings” have been running successfully with all Cllrs participating.</p> <p>The Council is scheduled to meet on Wednesday 5th May 2021, which will include the consideration of the 2020-21 AGAR. This is just before the last date that Zoom Meetings can be legally held UNLESS the current legislation is extended in some way. NALC has lodged a legal challenge to be heard on Wednesday 21st April 2021.</p>

<p>Code of Conduct/ Acceptance of Office</p>	<ul style="list-style-type: none"> • Date adopted • Any changes in elected/co-opted members since last Audit ? • DPI's complete • DPI's on website or weblink • New Governance Compliance • NEXT ELECTION ? 	<p>9 Cllrs at start of the year April 2020</p> <p>There have been no changes during the year.</p> <p>DPI link to the Tonbridge & Malling BC website provided on the Members webpage</p> <p>May 2023</p>
<p>Standing Orders and Financial Regulations</p>	<ul style="list-style-type: none"> • Have they been formally adopted and applied? • Have any changes been made since they were adopted or the last audit? • Have any changes been formally adopted by the Council? • Virtual Meetings / Delegation to Clerk/RFO re Covid -19 ? • Updated re New NALC Models SO's 2018, Fin Regs 2019 ? • Two signature rule still in place? 	<p>Standing Orders Review – 6 May 2020 Min 9</p> <p>Financial Regulations Review - 6 May 2020 Min 9</p>

Risk Management

- **Risk Assessments** – Are they:
 - Carried out regularly?
 - Adequate?
 - Reported in the minutes?
 - **ANNUAL REVIEW ?**

- Insurance cover – is it:
 - Appropriate/Adequate?
 - LTA in place?
 - Reviewed regularly?
 - Fidelity Guarantee Cover £ (Balances + ½ Precept)

- Internal controls – are they:
 - Documented?
 - Adequate?
 - Reviewed regularly?
 - **Statement of Internal Control (SIC)?**

- Systems and Procedures – are they:
 - Documented?
 - Adequate?
 - Followed?
 - Reviewed regularly?

The Risk Assessment document (dated 1st July 2020) available on the website details the risks and the steps taken to minimise the risks. As well as the financial risks the health & safety obligations are covered such as the visual inspection of the play areas, burial grounds, the skate park (a tri-parish project managed separately by the Whitegate Field Skate Park Committee consisting to 2 Cllrs from each participating PC)

Annual Risk Assessment Review – 6 May 2020 Min 9 At the request of a Cllr the Risk Assessments had the potential risk of trees in high risk areas added (approved by Council 3 June 2020 Min 6). The Annual Review for 2020-21 will be part of the agenda for the Council Meeting to be held on 5 May 2021 prior to the approval of the 2020-21 AGAR.

Insurance cover is provided by Inspire (AXA) via Came & Co a specialist insurance broker. A 3-year Long-term Agreement (LTA) is due to expire on 30 Sept 2021. The Clerk will be turning her attention to the renewal process after the conclusion of the AGAR 2020-21.

£150,000 cover provided

A separate insurance policy in place for the Skate Park with Hiscox, was renewed in Dec 2020 (on payment list dated 2 Dec 2020)

Personal Data Audit Questionnaire up dated April 2020

Data Protection Privacy Notice & Retention Policy – Council 6 May 2021 Min 9

<p>Budgetary Controls</p>	<ul style="list-style-type: none"> • Is the annual budgeting process reported and approved by the Council? <ul style="list-style-type: none"> ○ Budget/Precept amounts minuted? • Is the actual performance against the budgets reported to the Council during the year <ul style="list-style-type: none"> ○ Compare with Fin Regs? • Are significant variances explained in sufficient detail? • Covid-19 implications ? 	<p>Regular Budget Monitoring Statements signed off by the Chairman of Finance</p> <p>Council considered the 2021-22 Budget papers provided by the Clerk – Council 6 Jan 2021 Min 9. The Chairman of Finance proposed a precept increase of 5% = a precept request of £108,276 approved, which translates into a Band D Tax of £112.93pa and increase of £5.38.</p> <p>The Budgeted Expenditure approved for 2021-22 = £143.630 with a possible additional £40,000 contribution from the Community Fund Reserves to fund the replacement streetlighting making a total estimated spend of £183,630.</p>
<p>Section 137 expenditure</p> <p>£8.32 FOR 2020-21 (£8.12 FOR 2019-20)</p>	<ul style="list-style-type: none"> • What is the cash limit for the year? • Is a separate account/analysis kept? • Has the cash limit been exceeded? • Have the spending powers been properly used and Minuted? 	<p>Year end listing shows a grant/donation spend of £1,450 during 2020-21, which included £500 contribution to the local Church Food Bank initiative</p>
<p>Book-keeping</p>	<ul style="list-style-type: none"> • Cashbook - is it: <ul style="list-style-type: none"> ○ Fit for purpose? ○ Up to date? ○ Arithmetically correct? ○ Balanced regularly? 	<p>The Council moved to Sage 50 Cloud Accounts from 1 April 2019, allowing the Council to become “Tax Digital” compliant. The licence was renewed in May 2020.</p> <p>The budgetary reports are good and regularly received by Council and signed off by the Chairman of Finance.</p>

<p>Petty Cash</p>	<ul style="list-style-type: none"> • Has the amount of petty cash float been agreed? • Are all petty cash entries recorded? • Are payments made from petty cash fully supported by receipts / VAT invoices? • Are petty cash reimbursements signed for? • Date of last petty cash reimbursement ? • Is petty cash balance independently checked regularly 	<p>N/A</p>
<p>Payroll</p>	<ul style="list-style-type: none"> • Who is on the payroll and are contracts of employment in place? • Who is the RFO? • Annual Appraisal in place ? • Have there been any changes to the establishment during the year? • Have there been any changes to individual contracts during the year? • Have new appointments and changes to contracts been approved and minuted? • Do salaries paid agree with those approved by the Council? • Have PAYE/NIC requirements been properly applied and accounted for? • Payroll outsourced? • WORKPLACE PENSION IN PLACE 	<p>Ms Lesley Cox Clerk/RFO is the only employee whose contracted hours are 32 hrs pw</p> <p>A 4-year pay package was approved in June 2019 (Min 12 - June 2019).</p> <p>In addition to the salary a phone and home office allowance is provided.</p> <p>The HMRC on-line PAYE system is used by the Clerk. I checked the pay records and remittances to HMRC and KCC (pension). No errors were found.</p> <p>In-house</p> <p>LGPS</p>

<p>Payments</p>	<ul style="list-style-type: none"> • Are all payments recorded and supported by appropriate documentation? • Are payments minuted? • Review of DD's and SO's ? • STAFF costs definition for inclusion in Box 4 for 2020-21, check parity for 2019-20 ? Currently includes salary, tax, NIC & Pension (employee & ers) + taxable benefits (home working allowance, broadband & phone allowance etc NOT incl. • Has VAT been identified, recorded and reclaimed? • Have internal control procedures been adhered to? • Contracts: <ul style="list-style-type: none"> ○ What contracts exist? ○ Compliance with SO's ○ Have any new contracts or contract variations/extensions been awarded in the year? ○ Procedures adopted for letting of contracts ○ Have contract payments been made in accordance with the contract document? 	<p>A detailed schedule of payments is provided to Cllrs prior to the Council Meetings with the Agenda pack. The payments approved are listed in the Minutes showing invoice details and payment method, which has moved over to BACS payments wherever possible.</p> <p>Yes</p> <p>DD's include payments for utility services such as Castle Water, Eon for gas and electricity, TMBC for rates and BT Group for parish email. Shown as a separate listing within the Minutes.</p> <p>Staff cost definition is compliant re Box 4 on the Statement of Accounts in the AGAR.</p> <p>VAT claims during the year were – 1 Feb – 30 April 2020 - £2,481 recd 7 May 2020 1 May – 31 July 2020 - £2,728 recd 7 Aug 2020 1 Aug – 31 Oct 2020 - £6,074 recd 6 Nov 2020 1 Nov – 31 Jan 2021 - £543 To Pay – paid 1 Feb 2021 1 Feb to 31 Mar 2021 - £502 to claim</p> <p>Yes</p> <p>Tim Powell – General Mtce and litter picking Peter Barden – General Mtce and litter picking Four Seasons – Grounds Mtce Contract Commercial Service Ltd – Grounds Mtce contract & Hedgerow Mtce contract NKCS – Contract Cleaning (Pavilion & St Georges Hall) Streetlights – Street Light Mtce Ellis & Sons Ltd – skate park materials</p> <p>Eon quote renewed for street lighting supply Council 6 May 2020 Min 13 vi) Contribution made to KCC who commissioned the High Street repaving project (subject to highway conditions etc) NB not a Council asset.</p>
------------------------	--	--

<p>Receipts</p>	<ul style="list-style-type: none"> • Are all receipts recorded correctly? • Are all receipts promptly banked? • Precept, CTSG and Sect 136 payments • Are internal controls of cash adequate? • Are invoicing arrangements adequate? • Covid-19 implications? 	<p>Analysis of Income included in the Income & Expenditure accounts. Annual Review of Fees & Charges covering Burial services, Pavilion, Allotments, and St Georges Hall was considered by Council on 7 October 2020 Min 6. It was decided not to change the existing hire rates for 2021-22.</p> <p>Paying-in books were checked</p> <p>Invoicing includes re-charges to other PC's for the Skate Park Mtce (Borough Green & St Mary's Platt) and Local Plan challenge (Borough Green, St Mary's Platt, Ightham & Stansted) (proportions based on the electoral roll)</p>																
<p>Bank reconciliation & PWLB Loans</p>	<ul style="list-style-type: none"> • What current/deposit accounts exist? • FSCS aware and compliant? • Are bank reconciliations regularly carried out for each account? • Level of Balances to Precept ratio • Are the cheque counterfoils, paying-in books and bank statements adequately referenced? • When was the last review of the banking arrangements? • Internet Banking/Corporate Card and if in place Financial Regs updated ? • Signature review (Two signatures required?) • Any PWLB loans ? 	<p>Bank Account balances as at 31 March 2021 were –</p> <table border="0"> <tr> <td>NatWest current a/c (9261)</td> <td>- £50</td> </tr> <tr> <td>NatWest Rec a/c (1806)</td> <td>- £7,963</td> </tr> <tr> <td>NatWest Bus Savings (7668)</td> <td>- £18,216</td> </tr> <tr> <td>NatWest Community Skate Park (8531)</td> <td>- £1</td> </tr> <tr> <td>CCLA Fund 1 – WPC Savings (60001PC)</td> <td>- £40,248</td> </tr> <tr> <td>CCLA Fund 2 – Comm Projects (60002PC)</td> <td>- £95,919</td> </tr> <tr> <td>Metro Bank Debit Card (3576)</td> <td>- £ 285</td> </tr> <tr> <td></td> <td><u>TOTAL £162,682</u></td> </tr> </table> <p>Metro Bank pre-loaded Debit Card (£1,000 limit)</p> <p>No change to the signatory list</p> <p>None</p>	NatWest current a/c (9261)	- £50	NatWest Rec a/c (1806)	- £7,963	NatWest Bus Savings (7668)	- £18,216	NatWest Community Skate Park (8531)	- £1	CCLA Fund 1 – WPC Savings (60001PC)	- £40,248	CCLA Fund 2 – Comm Projects (60002PC)	- £95,919	Metro Bank Debit Card (3576)	- £ 285		<u>TOTAL £162,682</u>
NatWest current a/c (9261)	- £50																	
NatWest Rec a/c (1806)	- £7,963																	
NatWest Bus Savings (7668)	- £18,216																	
NatWest Community Skate Park (8531)	- £1																	
CCLA Fund 1 – WPC Savings (60001PC)	- £40,248																	
CCLA Fund 2 – Comm Projects (60002PC)	- £95,919																	
Metro Bank Debit Card (3576)	- £ 285																	
	<u>TOTAL £162,682</u>																	

<p>Assets and Asset Register (AR)</p>	<ul style="list-style-type: none"> • Are all the material assets owned by the Council recorded in an AR ? • Is the AR up to date? • Basis of Asset Values? • Are investments recorded? • Are the valuations regularly reviewed? • Does the AR show the insurance values ? • Digital Photographic evidence? • Is there a separate Inventory List of low value items (e.g. below the insurance excess levels) ? 	<p>Asset Register is up to date with a net increase in value of £830 to £437,942 at 31 March 2021. During the year, the multi-court flood-lighting was replaced as well as some office equipment.</p> <p>A digital photo library of the assets is maintained and held by the Clerk.</p>
<p>Year-end procedures Inc. AGAR</p>	<ul style="list-style-type: none"> • Does the 2020-21 AGAR Statement of Accounts agree with the cashbook? • Is there an audit trail from the financial records to the accounts? • Have debtors and creditors been properly recorded? • Date of approval of 2019-20 AGAR & Certificate of Exemption if applied • PROOF of public rights provision during summer 2020 & website- AIAR ICO L • New governance compliance regime - refer to new Practitioners' Guide 2020 	<p>Accounting records were checked against the figures to be used in the AGAR Statement of Accounts for 2020-21, including the Bank Reconciliation. The Clerk advised that the Council has exceeded the £200,000 threshold during 2020-21 and would therefore have to comply with the Intermediate Audit Review, which for 2020-21 Councils had to provide evidence of their HMRC registration.</p> <p>Council approved the AGAR 2020-21 on 6 May 2020 Mins 13 (iii) & (iv) RFO signed Section 2 on 6 May 2020. NB It is advisable that the RFO signs-off the Statement of Accounts at least 1 day BEFORE the Council Meeting to clearly demonstrate that it was signed off BEFORE the Council considered the AGAR and "minuted" appropriately.</p> <p>Post Audit Note: The RFO signed the Statement of Accounts on 16 April 2021.</p> <p>Date of Announcement – 7 May 2020 Public Inspection period – 13 May to 23 June 2020 Evidence – date of posting the Notice is shown as 7 May 2020 on the Council's website</p>

<p>Additional tests – (as necessary)</p>	<ul style="list-style-type: none"> • Computer systems: <ul style="list-style-type: none"> ○ The procedures for the backing up of computerised records ○ Council owned PC/laptop ? ○ Email security ○ Encryption of data? • Record keeping and the arrangements in place to store previous year's accounts etc. • Annual review of the effectiveness of Internal Audit inc. Appointment of IIA • Website host and Webmaster and any changes? • Website functionality & accessibility (23 Sept 2020 deadline) NALC L09-18 • TRANSPARENCY CODE compliant ? • Post GDPR (25 May 2018) <ul style="list-style-type: none"> ○ Privacy Notice ○ Cllr email addresses? ○ Email disclaimer ○ Other matters inc DPO arrangements 	<p>The “go to IT support” is Cllr Gillin who used to have his own IT business.</p> <p>The Clerk has a Microsoft Windows 365 subscription in place for the “office application software”</p> <p>Dropbox was used for Cloud storage, but was switched to OneDrive as this is part of the “365 subscription”.</p> <p>The website is managed by the Clerk and the Chairman</p> <p>The website was switched last year to a new one designed by Highscore Web Design Kent www.wrothampc.org</p> <p>Accessibility Statement available via a link on the bottom of the webpage. There is a “wheelchair” symbol on the web pages which when clicked opens a menu to change the font size, keyboard navigation and speech assistance etc. I use this website as a reference site for other PC's enquiring about accessibility issues.</p> <p>The Council has a list of documents and policies linked with the GDPR and data protection matters, which includes a General Privacy Notice and Retention Policy approved by Council on 3 April 2019. Other docs include Data Protection Impact Assessment Checklist (DPIA's), Subject Access Policy and Subject Access Request template.</p> <p>Dedicated Cllr email addresses approved by Council 6 May 2020 Min 7</p>
--	---	---