

Newbold Verdon Parish Council

Internal Audit FINAL Action Plan – year ending 31st March 2020

Checklist Ref.	Key Policy and Procedure	Internal Auditor Comment/Recommendation	Action Taken
2.7	Due Process – Approval of Expenditure	Under no circumstances should the Council authorise any expenditure which is not covered by any of the legal powers by which the Council has to adhere to and that the Clerk should determine if the correct legal power is being applied.	The new Clerk has already ensured that all expenditure is covered by a relevant power and that it is all added to the monthly agenda and monthly reports for council to review and approve as per current practices and procedures.
4.4	Budget	Having adopted a Reserves Policy, the Council should review earmarked reserves regularly (or at least annually at the financial year end) to ensure they accurately reflect the level of funds 'earmarked' to fund ongoing or committed projects.	The new Clerk has already reviewed the reserves and confirmed with Council what is available; this includes general and ear-marked reserves, as well as free cash reserves. This will be reviewed regularly by the Clerk/RFO and reported to council quarterly via the new Finance Report the Clerk has created for this purpose and will also form part of the new Internal Control process.
4.5	Budget	That to improve budgetary control and monitoring, a regular (e.g. minimum quarterly) review of actual expenditure versus budget is undertaken by the Council.	See the previous section under Action Taken, which highlights the new report that has been created to allow Council to review expenditure against budget, at the end of each quarter. These reports will also be added to the Finance section of the website.
4.6	Budget	That when minuting the approval of the annual budget and the precept, that the total budget (i.e. total expenditure requirement) is minuted, as well as the precept amount. See section 4.6 of the Internal Audit Report Checklist for the specific wording recommended.	The new Clerk is already aware of the correct wording for the budget setting process and will ensure this is done correctly for the setting of the 2021-22 budget.
6.3	Asset Control	Given that the Council is stating that assets at cost are recorded at nearly £1M, then a more detailed asset register should be prepared to justify this figure, preferably in Excel, rather than Word format.	The new Clerk has already created a new Asset Register which can be found on the Parish Council website and once Covid-19 lockdown restrictions have lifted, she will visit Newbold Verdon to ensure all assets have been added to the register. The revised register has also been forward to the insurers to ensure appropriate insurance cover.
7.4	Bank Reconciliations	That actions to amend the bank mandate to remove the 2 previous Clerks and make the current Clerk the primary user are completed as quickly as possible	The new Clerk/RFO has had numerous problems in requesting the changes to the bank accounts with HSBC. This is an ongoing issue which will be remedied as soon as possible.

13.1	Miscellaneous	That the reports received from both internal and external auditors are presented to Council for consideration and actions to be taken are minuted.	The new Clerk has already ensured the initial Internal Audit report and findings were circulated to council for review and reported on at a previous council minuted and recorded in the minutes. An initial action plan was also created by the Clerk to highlight how issues raised, will be dealt, which can be found on the Parish Council website. This final action plan has also been added to the website and will be recorded in the July meeting minutes.
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Signed:



Date: 30th June 2020

Josie Flavell – Clerk and RFO