

# Internal Audit Report Sandown Town Council

This audit report is to read in conjunction with the Annual Internal Audit Report in the Annual Governance and Accountability Return.

Council:	Sandown Town
Internal Auditor:	Maxine Warr
Year Ending:	March 2024
Date of Report	May 2024

Internal audit is the periodic independent review of a council's internal controls resulting in an assurance report designed to improve the effectiveness and efficiency of the activities and operating procedures under the council's control. Managing the council's internal controls should be a day-to-day function of the council through its staff and management and not left for internal audit. It would be incorrect to view internal audit as the detailed inspection of all records and transactions of a council to detect error or fraud. This report is based on the evidence made available to me and consequently the report is limited to those matters set out below.

The council is required to take appropriate action on all matters raised in reports from internal and external audit and to respond to matters brought to its attention by internal and external audit. Failure to take appropriate action may lead to a qualified audit opinion.

All items have been discussed with the RFO.

## **To the Mayor of Sandown Town Council**

I have examined council business including policies, agendas & minutes, accounting and financial statements and other documents relevant to this audit. Management & governance of the council appears robust and well executed.

The checklist gives a detailed account of the areas covered but a summary of findings is set out below.

- 1) Payroll provision is outsourced to Community Action and payments to HMRC are reported. The account is regularly monitored. Pension arrangements are through the LGPS and one member of staff has opted out, although this is under review.
- 2) The HR procedures are robust and workplace assessments have been carried out and concerns addressed as required. An appraisal system is in place and operating.
- 3) VAT had been accounted for correctly and refunds from HMRC are being claimed quarterly.
- 4) The Exercise of Public Rights was advertised correctly, although the dates are not detailed in the minutes. Three members of the public took the opportunity to examine the accounts. It is considered good practice to have five years of audit papers displayed on the website and there are more than five years available.
- 5) Insurance policies are in place with a good level of cover. Assets are reviewed and updated.

- 6) The budget and precept proposals were discussed at a full council meeting on 12 February 2024 and it was resolved to set the precept to £573,852 for 2024/25. Full details of the process is outlined in the minutes.
- 7) The Financial Risk Assessment Policy is in place for 2024 and is scheduled to be reviewed annually. Provision for inspection of play areas and the skate park is robust.
- 8) Public Works Board Loans remain in place and payments have been identified in the correct manner. A new PWL request has been agreed in February 2024. The discussion is well documented in the minutes.
- 9) The 2023-24 financial year saw turnover once again of over £200,000, therefore the accounts operate, through the Scribe system, on an income and expenditure basis. The petty cash account was closed in December 2023.
- 10) A 32 day Access Account is in operation as well as a Business account and a Treasurers account. All debtors are detailed through the Scribe system.
- 11) The Transparency Code requires the publication of certain information on a website. All items have been displayed, however a number of policies are not current on the website although evidence in the minutes show adoption has occurred for the current year.

#### **RECOMMENDATIONS**

- Ensure all policies are updated on the website.
- Remove 'draft' from the minutes on the website once resolved.
- Publish the dates for the Exercise of Public Rights in the minutes.

**Having regard to the above I believe I have adequate assurance to complete and sign the relevant section of the Annual Return.**

Yours sincerely



**Maxine Warr**  
**13<sup>th</sup> May 2024**