

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 2025
Date of Report	May 2025

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 with one member of staff opting out. All staff received the national pay uplift.
- 2) Workplace assessments are scheduled and although an appraisal system is in place this has not been carried out this year.
- 3) Standing Orders and Financial Regulations have been reviewed and are uploaded to the website. All other policies have been reviewed or are scheduled for review after the election.
- 4) VAT had been accounted for correctly and refunds from HMRC are being claimed quarterly.
- 5) Income is clearly identified and recorded. An electronic payment system is in operation for both income and expenditure and adheres to Financial Regulations.

- 6) The Exercise of Public Rights was advertised correctly, and the dates are detailed in the minutes. No 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 from this year this will be the case.
- 7) Insurance policies are in place with a good level of cover. Assets are reviewed and updated.
- 8) The budget and precept proposals were discussed at a full council meeting on 10 February 2025 and it was resolved to set the precept to £625,332 for 2025/26. Full details of the process are outlined in the minutes.
- 9) The Financial Risk Assessment Policy is in place for 2025 and is scheduled to be reviewed annually. Provision for inspection of play areas and the skate park is robust.
- 10) Public Works Board Loans remain in place and payments have been identified in the correct manner.
- 11) The 2024-25 financial year saw turnover once again of over £200,000, therefore the accounts operate, on an income and expenditure basis. The petty cash account was closed in December 2023.
- 12) A 32-day Access Account is in operation as well as a Business account and a Treasurers account. All debtors are detailed.
- 13) The Transparency Code requires the publication of certain information on a website. There is a dedicated page to the Code and items are uploaded as required. All items have been displayed on the new website.
- 14) The website accessibility statement is published and was reviewed in August 2024. However, there has been an update to the regulations in October 2024.

RECOMMENDATIONS

- Ensure the website meets the accessibility regulations updated in October 2024
- Ensure appraisals are carried out for all staff in accordance with the HR policy

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
2nd May 2025