

Do the Numbers Limited

Southampton
12th June 2019

Marcia Phillibert, Clerk
New Alresford Town Council
The Avenue, Alresford
Hants
SO24 9EP

Dear Marcia,

Subject: Matters arising from Internal Audit year ended 31 March 2019

Please find below the list of matters arising following my visits to the office today and earlier in the year Overall I found the records of the council to be in good order and the systems are improving significantly.

| Control area | Issue | Recommended Action |
|--------------------------------|--|---|
| General and Earmarked reserves | The general reserve of a council the size of NATC should be of the order of 6 months of revenue expenditure. Earmarked reserves should be for properly identified projects. | All earmarked reserves should have a location, planned end date and planned cost, supported by third party evidence. Projects that become non viable should be rolled back into general reserve. |
| Public attendance at meetings | The presence of the public is minuted, but not the number of attendees. This would improve transparency and accountability. | The number of members of the public present – even if they choose not to speak – should be included in the minute template. |
| Decisions on non agenda items. | Decisions at meetings may only be made on papers / items clearly included in the agenda pack. | Officers need to ensure that the agenda and pack are complete on the date of publication and no 'tabled papers' are decided upon. |
| Deferred decisions | It appears that some committees have deferred decisions rather than acting on agenda papers. | Items on the agenda are for decision. Passing decisions up to full council is a sign of poor governance by the committees. |
| PWLB loans | The council has six PWLB loans which cannot be repaid early (see Para 14 here) | Under Parish reporting requirements, that liability is not included in the balance sheet, but should be borne in mind when assessing reserves. |
| Deposit accounts | The council currently has all of its funds in accounts earning little interest. | It may be worth looking at accounts like the CCLA PSDF for those funds not required in the next three months. |

eleanorgreene@thedunnefamily.co.uk

37 Upper Brownhill Road, SO16 5NG
Registered in England No. 7871759

023 8077 2341
Director: Eleanor S Greene

| | | |
|--------------------------|--|--|
| Wages | It is good practice to minute (confidentially) each year the total cost of wages by postholder, pay grade, pension cost etc. | This should be done as part of the budget setting and forward planning. <i>(also raised last two years)</i> |
| Trade debtors | There are several small balances on the ledger which date back to 2018, many of which may not be recoverable. | Statements should be sent to all outstanding debtors and those deemed unrecoverable by officers, written off. |
| Transparency Code | The website of the parish council is complying with most of the requirements of the Transparency Code and the Freedom of Information Act. | The required information is summarised here (page 28 onwards) Now that the office is fully staffed, uploading information should become routine. |
| Financial regulations | When the other standard documents were approved, the Financial Regulations were omitted. | Please ensure that all of the regulatory documents are reviewed every year to ensure they are up to date. |
| Charity 301895 | Stratton Bate's recreation ground is owned by the charity of which the council is the sole trustee. Charity Commission returns are not up to date. | The proper officer of the council should update the contact and trustee detail and submit the nil returns up to date. An MOU should be set up to regularise the current arrangement. |
| Prior year Annual Return | The external auditor has not yet completed their review of the 2017/18 AGAR due to several elector queries which were submitted late. | The external auditor has confirmed that they foresee no changes in the figures on the return, so that for the current year can be considered accurate. |

Please find attached my invoice for the agreed fee. If either you or your councillors have any queries, please do not hesitate to contact me.

Regards



Eleanor S Greene