

Kirton in Lindsey Town Council Interim Internal Audit recommendations 2020-21

Recommendation	Brief comment	Action	NOTES
1. The cash book should be amended to ensure that staff mileage and travel costs are allocated to box 6, All Other Payments, on the AGAR. (Moderate)	Noted.	This is carried out on completion of the AGAR annually.	DONE
2. The council should seek an opinion from ERNLLCA regarding the Town Council Members, acting in their capacity as Councillors, considering applications for grant funding from the sole Trustees of the KLASSIC Charity. (Moderate)	ERNLLCA approached before the auditor, however awaiting response.	Charity Meeting called 08/12/2020 to arrange the required process following advice from both Auditor and ERNLLCA	DONE
3. A detailed record of receipts and payments in respect of the Mayor's chosen charity(s) should be prepared to support the final payment(s) and made available for audit and verification purposes. (Moderate)	Already prepared	Noted for providing to the Auditor when required.	DONE
4. All Trust fund expenditure, including Internal Audit fees, should be met from the Trust Fund's bank accounts and not included in the Town Council's cash books or the year-end AGAR. (Moderate)	Noted.	Adjustments made and noted for going forward. Information provided to Councillors at November 2020 meeting.	DONE
5. The council should consider whether it wishes to investigate the separation of the funds it holds between different institutions. (Moderate)	To be considered at Full Council meeting, December.	Public Sector Deposit Fund opened for this purpose.	DONE
6. The council should consider whether it wishes to place reserves and other funds, not required for the day to day running of the council, into interest bearing accounts. (Moderate)	To be considered at Full Council meeting, December.	As above, Public Sector Deposit Fund meets this criteria.	DONE
7. To adequately protect its interests the council should reinstate its Fidelity Guarantee indemnity limit to £200,000. There should be no additional cost to the council in doing this as the policy is subject to a long term agreement until 2021. (Moderate)	Insurance checked and confirmed that required cover is in place.	Error made by insurers within policy document amended	DONE
8. The play area five year plan working group should urgently consider the issue of the trip hazards on the play area and resolve to take appropriate action in order to safeguard public safety. (Major)	Addressed to the General Purposes Committee on 9th Nov; quotations being sought by Cllr Fox	Repairs completed early November as required.	DONE
9. The salary payments for November should be adjusted to correct the back pay due to the Clerk and, if found to be necessary, the hours worked by the Assistant Clerk and her resultant back pay calculation. (Moderate)	The auditor noted the under-calculation of back-pay for the Clerk and queried the recording of hours by the Assistant Clerk. I have confirmed with the Assistant Clerk the measurements used are indeed in hours and not minutes format requiring a minor adjustment in processing November pay.	Corrections issued in November salaries.	DONE
10. The Asset Register should be updated to reflect new purchases during the year and the insurance company should be requested to increase the sums insured in respect of any new purchases during the year that the council wish to insure. (Moderate)	The reporting process to the insurers of new assets is carried out as quickly as possible within the priorities of work which the Clerk has to work through.	Insurers notified and policy amended as required.	DONE
11. Government guidance on the completion of the AGAR should be fully observed when completing the 2020/21 year-end returns for the External Auditor. (Moderate)	It is noted that the government's revised guidance requires the restating of last years figures to match the new process required for this years figures and this will be observed by the Clerk when completing the 2020/21 year-end return.	Noted; as part of the AGAR for 2020/21 at the close of this financial year.	DONE
12. The Clerk should calculate the proportion of the Assistant Clerk's time spent on KLASSIC duties during the year and re-allocate this at the year end to the Council's Power of Competence legislative power which can be included on the Accounting Statement in box 6, All Other Payments, on the AGAR. (Moderate)	Noted for year end.	Noted; as part of the AGAR for 2020/21 at the close of this financial year.	DONE
13. The Council should continue to ensure that it meets the Charity Commission's requirements in respect of the Trust Funds that it administers. (Moderate)	Noted.	Normal processes to continue in terms of reporting / annual returns etc.	DONE