

Audit Recommendation Resolutions

Recommendation	No	Officer Comments / Suggestions / Updates	Responsible Officer	Responsible Committee	Timescale	Progress
That the council considers a review all the accounting entries, in particular the income entries to ensure that they have been coded correctly and linked to the correct boxes that would provide the figures for the year end accounting statements that form part of the AGAR.	4	Officers to liaise with RBS to receive guidance to help resolve this issue and report back to Council accordingly. This resolution is ongoing by officers as we continue to work, with support from RBS. The ones that were considered incorrect are being reviewed now and officers to ensure consistency of terms used.	Carol	Policy and Finance	This will be checked at Year End. Report back 2021 / 22 Quarter One.	Ongoing
That consideration is given to the management and administration of the Mayors charity in accordance with the legal requirements set out in the Local Government Act and the Charity Commission Law.	4	ERNLLCA's advice is that a Charitable Trust could be set up, but that council officers cannot be compelled to do so. However, other councils manage mayoral charity money in the same way we do. There may also be other approaches. For example, donations being made directly to the charities to remove the need for the Town Council to process any donations (e.g. cash from raffles be given directly to the charities to bank, electronic donations be paid directly to the charity with each one selected alternatively for each event, etc.). Please note, donations are different from purchasing tickets to events - these are still OK, as ticket money covers the costs and does not get donated. When discussing this with Safia, she agreed this was an alternative way forward. Officers will consult again with ERNLLCA to gain further legal advice and liaise with other councils if appropriate. Our advice is that if there needs to be a change to how we do it, it would be best to do things in a way that involve the most efficient way of work (e.g. a charitable trust would a considerable amount of work but other options may be less burdensome). Officers actively looking at different ways to resolve this and will report back at the next P&F meeting with potential practical ways forward.	Town Clerk / RFO (or in their absence the Deputy)	Policy and Finance	This will be checked at Year End. Report back 2021 / 22 Quarter One.	Ongoing
That the Standing Orders and Financial Regulations are reviewed to ensure the financial stipulates correspond to each other (in particular SO 18)	9	Standing Orders to be reviewed, with cross reference to Financial Regulations and the Scheme of Delegation (item 5 below), to ensure all documents and processes correspond. The Clerk/Deputy Clerk to provide model documents - two councillors to work with the Clerk/Deputy to use these documents to produce draft documents which correspond and refer to each other. These drafts will then be taken to P&F for final comments, before submitted to Full Council for final approval.	Town Clerk / RFO (or in their absence the Deputy)	Policy and Finance / Full Council	This will be checked at Year End. Report back 2021 / 22 Quarter One.	Ongoing
That the schedule of payments presented to council or committee includes an authorisation column that should state the authorisation reference which may be a Financial Regulation reference for payments made in accordance with a contract or direct debit arrangement, a scheme of delegation authorisation or a council or committee minute reference.	9	Part way through the financial year, finance codes started to be included to partly address this. Going forward, RBS will be contacted to see if an additional column can be added to include this. However, if this is not possible officers recommend that instead this column be retooled and used to provide details to address this. From now on, the approval date will be detailed, with the addition of a minute number for specific expenditure approvals.	Carol	Policy and Finance	This will be checked at Year End. Report back 2021 / 22 Quarter One.	Completed
That the Scheme of Delegation is reviewed to confirm if standing committees are delegated any budgets to incur expenditure and any delegations to correspond to the councils budget.	9	Officers to revise the budget sheets to include details of delegation. This to be done in correspondence with reviewing the Scheme of Delegation (including revising the levels of financial responsibilities allocated to specific committees). Do Councillors want to list the Committee Delegations on the budget sheet? If so, this needs to be done inline with the revision of the Scheme of Delegation (see point 3 above - the Scheme of Delegation to be reviewed alongside Standing Orders and Financial Regulations).	Town Clerk / RFO (or in their absence the Deputy) with support from Carol	Full Council	Clerk/Deputy Clerk to report at Full Council April 2021 (ask councillors to resolve that officers revise document draft (s) and then report back)	Ongoing

That the purchase order template on the RBS system be reviewed to include details for authorisation reference, authorising and approving officer or alternatively a purchase order stamp be used to record these details.	9	The purchase orders have already been revised accordingly. A stamp system will be purchased and implemented. Purchase orders already in place - no stamp required as the purchase orders have been redesigned to include authorisation signature section in the footer.	Carol / Deputy Clerk / RFO	Policy and Finance	2021 / 22 Quarter One.	Completed
That all purchase orders are countersigned by another officer to ensure there is a segregation of duties of the Town Clerk and RFO who may be the same authorising and approving officer.	9	This has already been implemented, although it is slightly problematic during remote working, but is now addressed. This is now happening, but there is a bit of a lag getting the documents actually signed due to distancing. Specific dates and time to sign the documents in a covid-safe way will be established.	Town Clerk / RFO	Policy and Finance	Already Addressed - ongoing from April 2021	Completed
That copies of all signed purchase orders are retained on file and a copy to be attached to the invoice on payment for audit purposes.	9	This has already been implemented to positively address this. This is now in place.	Carol	Policy and Finance	Already Addressed - ongoing from April 2021	Completed
That an authorisation stamp is used for all invoice payments. An authorisation stamp could include details for Certifying Officer; Authorisation reference; Purchase Order number; System Code; Date Paid and Payment Type which could include details of the cheque number, direct debit arrangement or bank transfer reference.	9	Officers to implement this. Stamp to a ordered this week.	Carol and Town Clerk / RFO	Policy and Finance	To be addressed ASAP in Quarter One.	Almost completed
That the authorisation reference field is completed within the RBS Omega Accounting system.	9	This is being done to address this issue. Done	Carol	Policy and Finance	Already Addressed - ongoing from April 2021	Completed
That sufficient evidence is appended to the invoices for payments made via bank transfer to provide an adequate audit trail and verification that the online payment corresponds to the invoice.	9	Officers to print the corresponding page from the online banking system and file with the invoice to address this issue. Done. Officers to liaise with Yorkshire Bank to advise how to achieve this due to changes to the new finance system. To follow up.	Town Clerk / RFO (or in their absence the Deputy)	Policy and Finance	To be addressed ASAP in Quarter One.	Partly Completed.
That the council and officers comply with the councils Financial Regulations, in particular contract thresholds and where required, estimates, quotes and tenders be obtained.	9	Officers will ensure that this process is followed and recorded appropriately. New system now in place to document and record this.	Town Clerk / RFO (or in their absence the Deputy) with support from Carol	Policy and Finance / Full Council	Already Addressed - ongoing from April 2021	Completed
That consideration is given to obtaining a professional HR fixed fee service which may achieve best value for money.	10	Recommend Personnel Committee to consider buying in to such a service. For Councillors to consider, although Officers would advise such a service would provide Councillors with the expertise required.	Town Clerk / RFO (or in their absence the Deputy)	Personnel Committee / Full Council	Council to consider over the coming year.	Ongoing
That the CCTV Service Level Agreement is reviewed with East Riding Council to ensure that the council is receiving best value for money. A copy of the agreement to be retained on file.	10	Councillors to consider reviewing this services (last reviewed when the system went to Bridlington). Council to also consider reviewing ALL services/contracts annually to ensure best value. To be considered by PPS in May 2021 - CCTV is just one example. The Council should have a schedule to review all contracts and SLAs as a matter of due course.	Town Clerk / RFO (or in their absence the Deputy)	PPS	Council to consider over the coming year (not just CCTV, but all other contracts).	Ongoing
That all council officers record estimates and quotations in a quotations database created by the RFO.	10	A database has already been set up by Deputy Clerk and Carol to record this. Done.	Deputy Town Clerk / Carol	Policy and Finance	Already Addressed - ongoing from April 2021	Completed
That the arrangements for the credit and debit cards are reviewed to stipulate the limits for the cards, procedures for managing the use and cancellation in the event the card holder leaves the organisation. The procedures to be reflected in the councils Financial Regulations.	10	For the Financial Regulations to include this information and for Officers to liaise with the bank to arrange a limit (credit card is currently £2,000 limit, debit card £500 limit). As the cards were taken out by the Town Clerk (the Debit Card is in her name), this may have to wait until she are available to do so. For Council to review this as a whole. Officers to seek advice from ERNLLCA etc and report back to next P&F for Councillors to decide.	Town Clerk / RFO (or in their absence the Deputy)	Policy and Finance	2021 / 22 Quarter One.	Ongoing
That consideration is given to obtaining a professional HR fixed fee service which may achieve best value for money.	10	Recommend Councillors consider buying in to such a service. See 13 above.	Town Clerk / RFO (or in their absence the Deputy)	Personnel Committee / Full Council	Council to consider over the coming year.	Ongoing

That the Councils considers developing and adopting Risk Management Statements and Policies in accordance with Financial Regulation 17.1.	11	Clerk (and where required Councillors) to produce Risk Management Statements. To seek external advice where required (e.g. ERNLLCA, NALC). These are overarching procedures that cover all aspects, functions and services of the council, not just individual events and finances. A strategic plan to address this will be required to ensure all aspects are covered. As this could be a considerable tasks, officers recommend this could take at least two quarters to put in place (see timescale column). Set up a small working group (Clerk/Deputy and two councillors with appropriate knowledge) and to look at examples sent by Safia to assist with this.	Town Clerk / RFO (or in their absence the Deputy) supported by other officers	Policy and Finance / Full Council	2021 / 22 Quarter One and Two (to be reviewed on an ongoing basis should more time be required - better to spend time to get it right than rush it and get it wrong).	Ongoing
That the risk assessment document is reviewed by the council to include all key risks facing that impact on service delivery and prevent the council from delivering its objectives. This should include business continuity measures. The risk document should include a risk rating criteria of the potential consequences and the likelihood for each individual risk.	11	Same as 18 above	Town Clerk / RFO (or in their absence the Deputy) supported by other officers	Policy and Finance / Full Council	2021 / 22 Quarter One and Two (to be reviewed on an ongoing basis should more time be required - better to spend time to get it right than rush it and get it wrong).	Ongoing
That the council considers developing and adopting GDPR policies to comply with the GDPR regulations that came into force on the 25 May 2018. Model policies can be obtained from SLCC or the local county association.	11	Clerk to produce a GDPR Policy. New GDPR policy being considered at P&F 19th April 2021.	Town Clerk / RFO (or in their absence the Deputy)	Policy and Finance / Full Council	2021 / 22 Quarter One	Partly Completed
That the councils reviews its IT back-up arrangements having regards to GDPR and data loss.	11	Deputy Clerk to liaise with the Clerk to get the second back-up drive and produce a system to sign off back-up processes. Liaise with Hallbeck IT to consider "cloud/remote" backup. Deputy Clerk to liaise with Hallbeck this week. The physical back-up discs swapped over weekly by Deputy Clerk.	Deputy Town Clerk	Policy and Finance	2021 / 22 Quarter One and Two	Partly Completed
That the council follows the budgeting process as set out within the guidance contained within the practitioner's guide.	13	Best practice from the practitioner's guide to be led by the Town Clerk / RFO. To be factored into the review of Financial Regs, Scheme of Delegation and Standing Orders. Ensure the Practitioners Guide is followed when budget setting in Autumn.	Town Clerk / RFO (or in their absence the Deputy) and Carol	Policy and Finance	Over the coming year in time for next budget setting	Ongoing
That the council develops project plans or a business case inclusive of a time-frame for delivery to support the budgeting process that will assist members to determine the costs for ear-marked reserves.	13	This is basically forward business planning. Town Clerk / RFO to work with Councillors to develop a three-year forward strategic financial plan to support the annual setting of the budget. In addition, Councillors to use the project development form circulated to all members in 2019, which details project costs, timescales, etc. to help better inform Council when making decisions. Councillors need to lead on this, as it is delivering the aims and objectives they set for the Town Council. Councillors to be more thorough when costing projects (fuller project plans rather than just allocating a general earmarked reserve to an idea).	Town Clerk / RFO (or in their absence the Deputy)	Full Council	Developed by end of 2021 / 22 Quarter Two (time scale reviewed if more time required).	Ongoing
That the level of general reserves is reviewed to ensure it is within the recommended guidelines of 3- 12 months of Net Revenue Expenditure (NRE). Note: The larger the authority the nearer to 3 months reserves should be retained for example, any authority with an NRE in excess of £200,000 should plan on 3 months equivalent General Reserve.	13	Council to review the level of reserves - this is continued good practise. To consult with ERNLLCA, etc. Different auditors have advised different levels (as guidance has changed over the years), so ERNLLCA will advise what is now proper practices/JPAG. This is our contingency (not general reserves - this is a misleading term and we need to ensure the term contingency is used). Officers to liaise with ERNLLCA to see what level of contingency we should have based on our budget and size of council we are. Deputy Town Clerk to report at next P&F meeting (putting contingency levels into context detailing what is required, etc.) Needs approving alongside Year End.	Town Clerk / RFO (or in their absence the Deputy)	Policy and Finance / Full Council	2021 / 22 Quarter One	Ongoing
That the full council receives budget monitoring statements in accordance with Financial Regulation 4.8.	13	To place the required documents on the agenda for the first Full Council after the quarter end. Full Council June 2021 and scheduled in for the whole	Town Clerk / RFO (or in their absence the	Policy and Finance / Full Council	Already Addressed - ongoing from April 2021	Completed (although each set of finances will still need

		of the forthcoming year.	Deputy) and Carol			to be viewed when appropriate, the schedule to achieve this is in place).
That the requirements of the petty cash are reviewed and that any outstanding money is paid into the petty cash and that the Financial Regulations are updated accordingly	14	Petty cash is no longer used - any items required are purchased via the debit card or online to ensure an electronic paper trail. Done - no petty cash. Any additional small purchases made via the Debit Card.	Town Clerk / RFO (or in their absence the Deputy)	Policy and Finance	Already addressed - although this matter connects with item 16 above due to debit card replacing the need for petty cash.	Completed
That an examination of employee salaries is undertaken to confirm that the correct salary payments have been made in accordance with the contract of employment taking into account the new NJC pay scale points applicable from the 01 April 2019. Employees should be provided with documentation to confirm the transfer of the new pay points and the new SCP pay point that is applicable to their post.	16	Personnel Committee is currently undertaking a staff review, part of which will include an examination of salaries. Ongoing review by Personnel.	Town Clerk / RFO (or in their absence the Deputy)	Personnel Committee	Already started - ongoing with aim to resolve 2021 / 22 Quarter One end	Ongoing
That all overtime is sanctioned in advance and recorded on the timesheets accordingly and submitted to payroll. Timesheets to be retained on file.	16	The TOIL / Annual Leave / Overtime policy to be reviewed and revised accordingly. Timesheets are already completed and retained, with TOIL, etc. recorded on them. Personnel to review Overtime Policy in June 2021.	Town Clerk / RFO (or in their absence the Deputy)	Personnel Committee	2021 / 22 Quarter Two	Partly Completed
That the Chairman's allowance is paid in accordance with the PAYE scheme via the payroll provider.	16	To liaise with the current Chairman to ensure he declares this allowance as he has already been given his allowance. For future Chairs to be paid in the same way as all other councillor allowances (PAYE). Payment of all future allowances will be made via PAYE.	Town Clerk / RFO (or in their absence the Deputy)	Policy and Finance	To be addressed ASAP	Completed (although we have yet to deal with the next round of allowances, the recommended way to process them will be followed).
That an annual inspection of the asset register items is carried out to ensure that all items listed can be physical verified in accordance with Financial Regulation 14.6.	17	To instigate a fresh audit of assets to produce a more detailed register (including such items as litter bins, grit bins, CCTV, etc.). This will be carried out by officers over the coming year - it is a major task and will not be in place for this Year End, but will be developed over the year, alongside an updated inventory list. Council need to agree what is the financial limits re what goes on the assets register and what just remains on the inventory. Asset register needs reviewing against the insurance policy at year end.	Town Clerk / RFO (or in their absence the Deputy) supported by other officers	PPS	Over 2021 / 22 Quarters Two and Three - Links with item 19 above.	Ongoing
That improvements are made to the asset register to include asset reference numbers, location / land registry details, quantity and replacement values for insurance purposes.	17	See item 30 above	Town Clerk / RFO (or in their absence the Deputy) supported by other officers	PPS	Over 2021 / 22 Quarters Two and Three - Links with item 19 above.	Ongoing
That the updated asset register is reviewed against the insurance policy to ensure that all insurable assets are covered under the insurance policy.	17	See item 30 above	Town Clerk / RFO (or in their absence the Deputy) supported by other officers	PPS	Over 2021 / 22 Quarters Two and Three - Links with item 19 above.	Ongoing