



TEWKESBURY TOWN COUNCIL
Internal auditor's report for the year ended 31 March 2023
Name of Auditor: Anita Sach

GAPTC internal audits comply with the proper practices outlined in the Governance & Accountability for Smaller Authorities – A Practitioners' Guide and the Accounts and Audit Regulations 2015.

The GAPTC internal audit reviews and reports on whether the systems of financial and other internal controls over its activities and operating procedures are effective. The audit tests a variety of documents, including agendas and minutes, policies, insurance and risk management processes, to ensure Council meets the requirements set out in the Annual Internal Audit Report in the Annual Governance & Accountability Return. The internal audit does not involve the detailed inspection of all records and transactions of an authority in order to detect error or fraud.

Our auditors are independent of the Council and are competent to be able to carry out the requirements of the internal audit service.

NOTE The auditor will complete the Annual Internal Audit Report (AIAR) page on the Annual Governance & Accountability Return (AGAR). The AIAR informs the Annual Governance Statement (AGS) assertions on the AGAR, so when council reviews the AGS, the responses must reflect the AIAR report.

1. Council working documents

Ref	Test	Meets reqmts? Yes, No or N/A	Internal Auditor's comments/recommendations	Evidence
1.1	Have Standing Orders been a) tailored to council? b) reviewed using the most recent	Y Not in 22/23	Recommend that council reviews Standing Orders in 2023 to include the revised Section 18 from the 2022 version	Last review 2021 Documents section website

	version? c) minuted?	N/A	Annual Governance Statement Assertion 1	
1.2	Have Financial Regulations been a) tailored to council? b) reviewed using the most recent version? c) minuted? (Objective B)	Y Y Y	Annual Governance Statement Assertion 1	May minutes 22/23.19 Documents section website
1.3	Does the council a) give grants? b) have a grant-awarding policy?	Y Y	Recommend amending grants policy on website to show 2022 review date, as still dated 2014	May minutes 22/23-29; grant applications discussed throughout the year September minutes 22/23-92 grants policy reviewed Grants policy viewed on website
1.4	Have items/ services been competitively purchased in accordance with Financial and/or Procurement Regulations?	Y	Annual Governance Statement Assertion 2 & 3	Finance Committee June minutes F.22.029 insurance March minutes SH22/074 2 Refurbishment of bund 2 quotes received but several companies approached
1.5	Code of conduct reviewed in the last 2/3 years?	Y	Annual Governance Statement Assertion 3	March minutes 22/23 -188 updated Code of Conduct adopted Documents section website

2. Finance

Ref	Test	Meets reqmts? Yes, No or	Internal Auditor's comments/recommendations	Evidence
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		N/A		
2.1	Has the General Power of Competence been adopted (e.g. a minute reference), if Council qualifies?	Y	Annual Governance Statement Assertion 3	Minute 19/20 027 3rd June 2019
2.2	S137 a) is there a separate account for payments? b) are totals within statutory limits? (for Council's that do not held General Power of Competence)	N/A	Annual Governance Statement Assertion 1 & 3	
2.3	Is there an annual council authorisation of Direct Debit list and Standing Orders? (Objective B)	Y	Annual Governance Statement Assertion 1	December minutes 22/23-133 And November FC
2.4	Was Petty Cash expenditure approved, if any? (Objective F)	Y	Annual Governance Statement Assertion 1	Sheet listing petty cash payments, initialled and counter-initialled and included as part of internal controls
2.5	Is all expenditure supported by VAT invoices, if applicable? (Objective B)	Y	Annual Governance Statement Assertion 1	Transaction sampling
2.6	VAT – a) recorded in accounts	Y		Reclaimed quarterly

	b) reclaimed? (Objective B)	Y	Annual Governance Statement Assertion 1	
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3. Risk management

Ref	Test	Meets reqmts? Yes, No or N/A	Internal Auditor's comments/recommendations	Evidence
3.1	Insurance policy a) in place? b) cover reviewed to ensure still fit for purpose? (Objective C)	Y Y	Annual Governance Statement Assertion 5	May minutes 22/23-23 Clerk confirmed insurance in place for all insured risks June FC F.22.029 3-yr insurance agreed Hiscox insurance policy schedule viewed
3.2	Copy of Risk Management policy a) adopted? b) reviewed annually by Council? (Objective C)	Y but Y	Finance Risk Register but no formal policy covering other risks for council-owned assets. However, there is a schedule of inspections and findings are report to the Environment & Amenities Committee. Recommend that a Risk Register of assets is compiled, bringing together one document for inspections and responsibilities Annual Governance Statement Assertion 5	May Finance Committee minutes F.22.017 Finance Risk Register reviewed
3.3	Asset register a) reviewed regularly? (Objective H) b) published on website? (Objective L)	Y Y	Annual Governance Statement Assertion 5	F.22.047 Sep FC Asset register viewed Buildings list on website
3.4	Evidence that assets a) have been	Y		Play areas included in every Environment & Amenities committee agenda May E&A minutes 22/50; July E&A minutes

	<p>inspected for risk? b) reported in minutes? c) any actions undertaken? (Objective C)</p>	<p>Y Y</p>	Annual Governance Statement Assertion 5	22/010; October E&A minutes 22/025; January E&A minute 22/040/ March 22/056
3.5	<p>Evidence that internal controls a) take place? b) are documented? c) minuted? as per Council's Financial Regulations/Standing Orders (Objective B)</p>	<p>Y Y Y</p>	Annual Governance Statement Assertion 2	February Finance Committee minutes F.22.096 Q3 checks Q1, Q2 and Q3 internal controls report viewed
3.6	<p>Bank reconciliations are on agenda to be considered by Council? (Objective I)</p>	Y	Annual Governance Statement Assertion 1	Bank reconciliations presented on all agendas to Finance Committee and quarterly to full council Bank reconciliations viewed as part of agenda pack September minutes 22/23-87 November minute 22/23-111 February minutes 22/23-168 Finance Committee minutes F.22.042
3.7	<p>Review of a) investments? b) bank mandates (signatories on bank accounts)? (Objective B/C)</p>	<p>Y Y</p>	Recommend signatories reviewed following recent elections Annual Governance Statement Assertion 1	a) F.22.032 Jun b) F.22.048 FC Sep
3.8	<p>If bank cards in use, are proper procedures in place? (Objective B)</p>	Y	Annual Governance Statement Assertion 1	Debit cards approval in 22/23 July minutes 22/3-91 use of debit card reviewed in Financial Regulations 6.17

3.9	Are a) physical records secure? b) electronic records backed up?	Y Y	Annual Governance Statement Assertion 5	a) Locked office, alarmed & CCTV b) External Server – automatically backed up.
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4. Budgetary controls

Ref	Test	Meets reqmts? Yes, No or N/A	Internal Auditor's comments/recommendations	Evidence
4.1	Was a budget properly for the year under review a) prepared? b) adopted? c) minuted? (Objective D)	Y Y Y	Annual Governance Statement Assertion 1	January minutes 21/22-123
4.2	a) Were the earmarked objectives of the reserves identified in the budget, if any? b) Were the general reserves reasonable? (Objective D)	Y Y	Annual Governance Statement Assertion 1	Budget document in January agenda viewed
4.3	Was the precept demand for the year under review properly minuted in full council?	Y		January minutes 21/22-124

4.4	Did the council a) regularly compare budget vs spend (as detailed in the financial regulations) b) and evidenced in the minutes? (Objective D)	Y Y	Annual Governance Statement Assertion 1	Summary income & expenditure by budget heading report presented at every full council and finance committee meeting February minutes 22/23-166
4.5	Are any significant variances from budget reported?	Y	Annual Governance Statement Assertion 2	Any variations included in budget reports

5. Payroll

Ref	Test	Meets reqmts? Yes, No or N/A	Internal Auditor's comments/recommendations	Evidence
5.1	Do all staff have a contract of employment?	Y	Annual Governance Statement Assertion 3	No new staff 22/23 Admin Assistant contract viewed for 21/22 audit
5.2	Do salaries paid agree with those approved by Council? (Objective G)	Y	Annual Governance Statement Assertion 1	November payroll information viewed together with payslip for Finance Officer
5.3	Has Council a) registered as an employer with HMRC? b) have PAYE / NIC been properly dealt with (including year-end procedures)?	Y Y		External Payroll Provider – Payrolls UK Ltd Payments to HMRC viewed in payments lists

	(Objective G)			
5.4	Are Councillor's allowances and expenses properly authorised & controlled, if any?	Y	Annual Governance Statement Assertion 1	Mayor's allowance approved 16 May minutes 22/23-16 £1500 Guidance given on its use
5.5	Pension provision – eligible employees a) offered pension scheme? b) outcome minuted?	N/A N/A	Annual Governance Statement Assertion 3	No new staff in 22/23
5.6	Is Council a) registered with the Pension Regulator for auto-enrolment pensions? b) Has auto-enrolment registration with Pension Regulator been reviewed (required every 3 years)	Y Y	Annual Governance Statement Assertion 3	Re-enrolment email confirmation dated 31/12/22 viewed

6. Year-end procedures

Ref	Test	Meets reqmts? Yes, No or N/A	Internal Auditor's comments/recommendations	Evidence
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6.1	Are debtors and creditors recorded properly on separate balance sheet if using Income & Expenditure reporting? (Objective J)	Y	Annual Governance Statement Assertion 1	June minutes 22/23-44 Finance committee May minutes F.22-009 Balance sheet 31/3/23 viewed
6.2	Does Council as a whole consider the year-end accounts in addition to 6.5? (Objective J)	Y	Annual Governance Statement Assertion 1	June minutes 22/23-43
6.3	Minute confirming that council is eligible for Certificate of Exemption (only for councils with a turnover of less than £25,000) (Objective K)	N/A	Annual Governance Statement Assertion 1	
6.4	Annual Governance Statement, section 1 of Annual Return, approved by whole council (with separate minute number from Section 2 below)?	Y	Annual Governance Statement Assertion 3	June minutes 22/23-45
6.5	Annual Statement of Accounts, section 2 of Annual Return, approved by whole council (with	Y		June minutes 22/23-46

	separate minute number from Section 1 above)?		Annual Governance Statement Assertion 3	
6.6	Are all sections of the Annual Governance & Accountability Return published on the website? (Objective L/N)	N but	Because of a challenge to the AGAR, the external auditor has not yet finalised its report. However, recommend that other pages of the AGAR are posted on the website Annual Governance Statement Assertion 3	Annual Accounts section on website
6.7	Did council correctly provide for the exercise of public rights? (Objective M)	Y	Recommend that dates for exercise of public rights are given to council prior to their commencement Annual Governance Statement Assertion 4	F.22.045 Sep FC minute Form in Annual Accounts section on website
6.8	Previous internal audit report reviewed by council and action taken where recommended?	Y	Annual Governance Statement Assertion 7	Finance Committee minutes F.22.032 list of actions noted
6.9	Previous external audit report (for councils with turnover over £25,000) reviewed by council and action taken where recommended?	N/A	Annual Governance Statement Assertion 7	At time of audit, External Auditor had not yet completed its findings for 21/22 following a challenge to the AGAR

7. Other matters

Ref	Test	Meets reqmts? Yes, No or	Internal Auditor's comments/recommendations	Evidence
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		N/A		
7.1	Policies in place for compliance with GDPR, such as Data Protection Policy for Staff & Councillors and for the public?	Y but	Recommend that Council consider also adopt a data protection policy for staff and Councillors. Annual Governance Statement Assertion 3	Privacy Policy link on home page of website May minutes 22/23-26
7.2	Is the Council a Managing Trustee?	Y	Annual Governance Statement Assertion 9	Anglo-American Garden of Remembrance & Riverside Walk & George Watson Memorial Hall
7.3	Do trustees meet at least once a year and publish separate accounts? (Objective O)	Y	Annual Governance Statement Assertion 9	Minutes viewed, for both trusts, dated February 2023 Anglo American Garden of Remembrance & Riverside Walk – no funds George Watson Memorial Hall – accounts submitted separately to the Charities Commission – viewed online
7.4	Website Accessibility Statement on website home page?	Y	Annual Governance Statement Assertion 3	Home page of website
7.5	Did council formally appoint GAPTC as the Internal Auditor?	Y	Annual Governance Statement Assertion 6	April minute F.22.135
7.6	Are registers up to date for council-owned burial grounds (if any) and purchase of Exclusive Rights of Burials certificate	N/A		

completed?	Annual Governance Statement Assertion 3
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8. Procedures

Ref	Test	Meets reqmts? Yes, No or N/A	Internal Auditor's comments	Evidence
8.1	Minutes: a) DPIs or other interests recorded? b) published on website in draft form within one month (mandatory for councillors with a turnover of less than £25,000)? (Objective L) c) initialled on each page and final page signed?	Y Y Y	Annual Governance Statement Assertion 3	a) Interests on all agendas July 22/23-70 Cllr S Raywood declared a DPI and minutes show that he left the meeting and returned after the agenda item b) 15 May minutes on website by 23 May c) July minutes viewed
8.2	List of members' a) responsibilities (Objective L) and b) interests held and published on the website?	Y Y	Annual Governance Statement Assertion 3	Councillors' page on website
8.3	Agendas signed and displayed on website/noticeboards 3 clear days' prior to meeting? (Objective L)	Y	Annual Governance Statement Assertion 3	Sample of full council and committee agendas on the website

8.4	Summons issued in proper format?	Y	Annual Governance Statement Assertion 3	Sample of full council and committee agendas on the website
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