Explanation of 'No' responses

Assertion 2

This authority complied with its financial regulations, payments were supported by invoices, all expenditure was approved and VAT was appropriately accounted for.

This assertion has been ticked **No** due to a number of governance, procedural, training, and VAT control issues identified during the year. Expenditure is supported by invoices and approved through the Council's established processes, and VAT is appropriately accounted for, with one identified error during the year.

1. **Standing Orders and Financial Regulations**
    - Standing Orders were reviewed by the Governance & Finance Committee on 12 November 2025 and 21 January 2026 but have not yet been formally adopted by Full Council.
    - Financial Regulations were reviewed by the same Committee on 03 December 2025, with a resolution made for adoption by Full Council on 21 January 2026.
    - Due to the dissolution of the Committee by Full Council, the process was delayed and subsequently restarted.
    - Standing Orders review recommenced on 30 April 2026 via the Finance & General Purposes Committee. Completion planned for 26 May 2026 was delayed when Full Council was unable to agree Committee membership at the Full Council meeting on 19 May 2026.
    - The Committee was re-established on 09 June 2026, with the next meeting scheduled for 01 July 2026.
2. **Inter-account sweep arrangements**
    - These arrangements have not been formally reviewed within the last three years.
    - A review has been scheduled for 01 July 2026.
3. **Finance training and control environment**
    - Finance training was delivered to Full Council on 14 May 2026.
    - However, not all authorised signatories or members of the Finance & General Purposes Committee attended, meaning not all individuals with direct financial responsibility have received appropriate training.
4. **VAT control error**
    - A VAT error was identified on invoice 491, where VAT was incorrectly applied at 20% in the accounting system (Scribe) despite no VAT being chargeable.
    - This resulted in an overstatement of VAT of £1,010.31.
    - The error occurred on a single invoice out of approximately 800 processed during the year.
    - The correction will be processed in Q1 2026/27.

Conclusion
While governance and training matters are being addressed, payments are supported by invoices and approved through established processes, and VAT has been appropriately

accounted for. A single VAT error has been identified and is being corrected, alongside ongoing improvements to financial governance and review processes.

Assertion 3

We have assured ourselves that there are no matters of actual or potential non-compliance with laws, regulations and Proper Practices that could have a significant financial effect on the ability of this authority to conduct its business or manage its finances.

This assertion has been ticked **No** due to identified instances of non-compliance with statutory requirements relating to meeting procedures and the authentication of minutes.

1. **Compliance with Local Government Act 1972 (Schedule 12, Paragraph 41)**
    - Paragraph 41(1) of Schedule 12 to the Local Government Act 1972 requires that minutes of meetings are signed at the same or next following meeting by the person presiding, and properly recorded in the minutes book.
2. **Identified issues**
    - There have been instances where this requirement has not been met in practice.
    - In some cases, where the Town Clerk and Deputy Clerk have not been invited to attend meetings, the preparation and approval of minutes has been delayed.
    - This has resulted in delays in the formal signing and authentication of minutes in line with statutory requirements.
3. **Impact assessment**
    - These matters relate to procedural compliance and governance controls over meeting administration.
    - While they have not resulted in identified financial loss, they represent non-compliance with statutory procedural requirements that underpin proper governance and decision-making transparency.

Conclusion
Although there is no evidence of financial loss arising from these issues, the authority cannot fully confirm compliance with all relevant legislative requirements relating to meeting administration and minute approval procedures during the year. As a result, the assertion has been marked **No**.

Assertion 5

We carried out an assessment of the risks facing this authority and took appropriate steps to manage those risks, including the introduction of internal controls and/or external insurance cover where required.

This assertion has been ticked **No** due to delays in the formal review and approval of the Council's Risk Register and associated risk management processes during the year.

Risk Register review process

- The Risk Register was reviewed by the Governance & Finance Committee on 20 November 2025.
- A subsequent Full Council motion to adopt the recommendation on 10 February 2026 was not carried and the decision was to return the Risk Register to Committee for further review.
- Following the dissolution of the Committee, responsibility for the matter reverted to Full Council, where it was considered on 14 April 2026, with agreement that a full and frank discussion was required.
- The item was placed on the Finance & General Purposes Committee agenda for 30 April 2026; however, it was not progressed due to a heavy agenda.
- It was rescheduled for 26 May 2026, but the meeting was postponed.
- The Risk Register is expected to be brought back to the Finance & General Purposes Committee for full review within the next couple of months.

Impact on risk management assurance

- Whilst risk management arrangements and insurance coverage remain in place, the formal review and updated approval of the Risk Register has not been completed within the expected timeframe.
- This results in a gap in timely governance oversight of the Council's documented risk assessment process.

Conclusion
Due to delays in the formal review and approval of the Risk Register, the authority cannot fully demonstrate that risk management documentation has been kept fully up to date during the year. The assertion has therefore been marked **No**, pending completion of the scheduled review and formal approval process.

Assertion 7

We took appropriate action on all matters raised in reports from internal and external audit.

This assertion has been ticked **No** as, whilst audit matters have generally been addressed, there are outstanding governance weaknesses which indicate that not all matters arising from audit processes have been fully resolved in a timely and consistent manner.

- In the main, actions arising from internal audit reports have been considered and responded to appropriately.
- However, ongoing issues relating to the timely approval and authentication of Committee minutes (as also identified under Assertion 3) indicate that agreed governance procedures have not always been fully implemented in practice.
- These delays demonstrate that not all matters relating to proper governance processes have been fully and consistently actioned.

Conclusion
Although audit recommendations have generally been acted upon, the continued occurrence of procedural weaknesses in minute approval and governance processes means the authority cannot fully confirm that all matters raised through audit processes have been appropriately and fully addressed during the year.