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Independent Internal Audit Service for Parish and Town Councils

12th November 2022

The Chairman & Mayor
Downham Market Town Council
C/o Town Council Office
15 Paradise Road
Downham Market
Norfolk PE38 9HS

Dear Sir

INDEPENDENT INTERNAL AUDIT MID YEAR REPORT for Financial Year 2022/2023

As a result of our mid year audit review to prepare for year end, I now attach a copy of my report.

I would also remind the Council that it is not in my remit to check the accuracy of the Council accounts.

I look forward to arranging my year end visit in due course.

Yours sincerely

Jacquie Wilson (Mrs)
Director

DOWNHAM MARKET TOWN COUNCIL

REPORT AND OBSERVATIONS**We discussed:**

THE COUNCIL

- Seats 20 Vacancies 0 Election 2023
- All Councillors have signed their Declaration of Office and Register of Interest Forms.
- All Councillors have their own dedicated email address.
- I strongly recommend that now the Covid emergency is over the Town Council should revert to the original Standing Orders which govern Meetings and their reporting. This would, of course, remove any live electronic transmissions of meetings – if members of the public want to know how a decision was arrived at they have the option of attending the meeting or sending a representative. The current temporary measures in place can unnecessarily cause issues with risk management, GDPR and FOI. Agendas, draft minutes, approved minutes and reports would of course be posted on the web site and on the Town Notice Boards. This measure should also re-instate the need for all correspondence to be channeled through the Clerk.

We also discussed:

The present concern over Town Councillors using face book and other social media to discuss council matters outside meetings:

My response is:

Unlike District and County Councillors, Town and Parish Councillors sign the Declaration of Acceptance of Office to become members of a Corporate Body which precludes them from making or taking any actions as individuals. Therefore a Council will usually have the standing order that states that all communications will be dealt with through the Clerk's Office.

The part of the Code of Conduct which would be breached if a Town Councillor were to use any social media, e-mail or other communication outside the meeting would be Predetermination and Bias. The individual Councillor needs to decide

(a) whether they are more useful to campaign and make public comments on an issue which is coming before the council for decision in which case they must declare their bias and predetermination at the meeting and not vote when the issue comes before the council for resolution. Or

(b) they opt to keep an open mind on the issue (they might privately have one view) but they would only publicly declare that they are open to all arguments and will decide what is best for the electorate at the time of the resolution and vote accordingly.

EMPLOYMENT

- The Clerk has resigned and the recruitment process of the new Clerk will be approved at the next Council meeting on 15th November.
- The Acting Clerk, Claire Dornan, has been appointed as Responsible Financial Officer for the interim period.
- During the re-adjustment of all staff roles, I strongly recommend that all members of staff complete a list of the actual hours worked to present to each Council

meeting so that a comparison can be drawn up to ensure that the Core Hours in their contracts are fit for purpose.

- In my experience it is never practical to offer extra time off in lieu of overtime as the Clerk's role is unique in that the work would have to be done anyway. It is much more practical to have an agreement that allows the Clerk to seek approval that any necessary overtime can be reviewed and charged at the normal hourly rate.

FINANCIAL

- The Accounts are with Lloyds Bank.
- The review of bank signatories is currently in progress. There should be a minimum of three Councillors of which two must authorise any transaction.
- The Clerk will have administration authority.
- We discussed risk management regarding the purchase of goods and services, including those by staff such as maintenance officers. It was agreed that Financial Regulations will be amended to state that all purchases are required to have a prior Purchase Order Number issued by the Clerk which will then be attached to the receipt.

HOWDALE COMMUNITY ASSOCIATION

- The Town Council are Sole Trustees.
- The Council is in the process of closing this charity by the end of November.

SKATE PARK

- The Town Council is currently receiving reports on vandalism issues
- The options of installing CCTV are being investigated.
- The Auditor suggested that the Council might consider setting up a working party which would include a majority of nominated users of the park in the hope that they will begin to take responsibility for the management of their facility and the council might find there are less expensive and alternative measures that would solve the problems (this has worked in other councils).

ALLOTMENTS

- The leases are expiring at the end of March 2023 and 2025.
- The Town Council are considering the options available.

TOWN HALL

- The electrics have been done.
- Drawings are in progress to facilitate a move of Clerks' office into part of the building.
- Auditor recommends that a Working Party be set up to Manage the project.

CONTRACTS

- We discussed the option of seeking three year contracts with the agreement to review them annually as most suppliers are now not interested in quoting for annual contracts.

INSURANCE

- The Town Council apparently are in a three year contract with broker WPS which is up for renewal next year.

- It would appear that the current agreement does not specifically include cover for items on the Council Asset Register such as computers (which should only be transported under GDP regulations and insurance; more importantly the Policy does not give the Council data breach cover. It goes without saying that all Council owned assets should be covered by insurance.

YEAR END ACCOUNTS

- The completed asset register will be approved by Council before year end.
- The year end Balance Sheet will clearly define what is held in General Reserves, Earmarked Reserves (showing any CiL or S.106 balances) and the Carry Forward figure to the next financial year.

Jacquie Wilson (Mrs)
Director (revised version)