

This report will be made public
on 19 February 2021

Hythe Town Council

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Report number F&GP/30/20

To Hythe Town Council
Date 18 February 2021
Status **Non Exempt**
Responsible officer Responsible Financial Officer

Subject **MID TERM INTERNAL AUDIT REPORT FOR FINANCIAL
YEAR ENDING 31 MARCH 2021 REPORT F&GP/30/20**

SUMMARY: This report provides an update of the Town Council's mid-term internal audit and recommends the Committee review in accordance with good practice.

REASON FOR RECOMMENDATION:

The Committee is asked to agree the recommendations set out below because:-

- a) The Council is committed to control and manage its financial affairs in accordance with the Accounts and Audit Regulations 2015.

RECOMMENDATIONS

1. To receive and note the report F&GP/30/20

INTRODUCTION

A relevant authority must undertake an effective internal audit to evaluate effectiveness of its risk management, control and governance processes, taking into account public sector internal auditing standards or guidance.

The Town Clerk and Responsible Financial Officer must make available documents and records and supply information and explanations that are considered necessary by the Internal Auditor.

The Mid-term Internal Audit reports any findings and highlights items that may need addressing before the Financial Year end Audit.

Items highlighted in yellow on the attached report were a medium risk and required attention;

- **Code of Conduct/Acceptance of Office;** The Council has 16 Councillors as listed on the website. The DPI's can be accessed via a link to the Folkestone & Hythe DC website, but only 15 Cllrs are listed, Cllr McConnell is missing and Cllr Fraser has no attached DPI to view. **Steps have been taken to rectify these anomalies.**
- **Budgetary Controls;** The Budget & Precept for 2021-22 was considered early by F&GP on 15 Oct 2020 and endorsed by Council 5 Nov 2020, setting

a Precept for 2021-22. At the time the Tax Base for 2021-22 was not known. Despite the internal auditor mentioning it in his previous report there was no information within the Minute advising what the Precept or the Budget amounts were approved. **This has been corrected in F& GP min no 229/20 ratified at Council on 28 January 2021.**

- **Year-end procedures inc AGAR;** Date of Announcement – 3 July 2020
Public Inspection period – 6 July – 14 Aug 2020. Evidence – Back-screen evidence suggest the posting of the information to the website was on 6 July 2020, the day the Inspection Period began, it should be posted before commencement. **This has been noted and should not happen again.**
- **Additional tests (as necessary);** Website host – Website functionality and accessibility (23 September 2020 deadline) NALC L09-08. The internal auditor was notified that the new website would go live in January – **that has now been completed and staff are working on past documents that need to be updated to make the website compliant with the Accessibility Regulations.**

There are NO High risks assessed.

RISK MANAGEMENT

A summary of the perceived risk follows;

Perceived Risk	Seriousness	Likelihood	Preventative Action
The Council has an inadequate system of Internal Control.	High	Low	The Council appoints an independent auditor to undertakes two audits per year.

CONTACT OFFICER

If you have any queries about this report please contact The Responsible Financial Officer of the Council

Tel: 01303 266152 or email RFO@hythe-tc.gov.uk prior to the meeting