

**Weasenham Parish Council Internal Audit 2022/23
Supplementary Report**

**CONFIDENTIAL TO CLERK AND COUNCILLORS UNTIL COUNCIL AGREES TO
PUBLICATION**

Remit of Supplementary Report

Following an Electors' Rights inspection of the 2022/23 accounts, a number of queries came to light which required investigating and/or resolution. A supplementary report addressing these specific issues was requested.

Recommendations have been made regarding future changes which could be put into place; no recommendations have been made regarding action on historic decisions or actions by those in office at the time.

Further queries as raised by member(s) of the electorate

Why had fire retardant paint been used on only one side of the community building? *Clerk able to confirm that Building Control had requested and authorised this. Clerk further confirmed that in the September 2021 Minutes, there was an approval for fire proof paint. Response was provided by clerk directly to member of electorate. Issue resolved.*

Queries on clerk's timesheets: Clerk had claimed standard 32 hours during April and May, yet Minutes reflected a stay in hospital during this time; standard timesheet again for May including time worked on the day of the May meeting, but Minutes of May meeting noted that the clerk was not in attendance due to illness. *To be addressed below.*

Hogroast: invoice of [9th?] May, payment authorised at 18th May meeting and event held on 5th June. Councillors resigned *en masse* at the end of the meeting, thus ceasing to be councillors on the evening of 18th (further information available, see below). Payment went through the bank account on 20th May, therefore was/were the person(s) who authorised the payment non-councillors? The event held on 5th June was not hosted by parish councillors as none were in office, therefore could this in fact be deemed to be a legitimate parish council event which should have been funded by Weasenham taxpayers? If it was, was the benefit commensurate with the expenditure (£675)? Are there other legal consequences of an event not hosted by councillors? *To be addressed below.*

Supplementary comments in response to issues raised and unresolved by clerk

Queries on clerk's timesheets – extract from initial Internal Audit Report

Expenses and salary claimed by interim clerk April and May 2022

Clerk timesheet confirms that the 32 hours per month contracted for, were worked. It was therefore legitimate for council to approve the April and May salary payments. Mileage claimed was for a number of trips including accounts transfer to internal auditor. It was therefore legitimate for council to approve expenses claims,

assuming that they had confirmed hours worked were hours contracted for, and mileage was accurate and reasonable.

It is recommended that council appoint one of its members to review and sign any timesheets or expenses claims prior to submission for approval.

Further comments pursuant to query

For smaller councils, with a part-time clerk as the only employee, and no council office as a work place, verifying hours worked must always rely to a large extent on trust. It is not unusual for clerks to be sick, but not claim sick pay and simply make up the hours at a later time. It is not unusual for clerks to be unwell enough to attend a meeting during an evening, but to be able to answer emails. It is not unusual for clerks to be working out of normal office hours. This makes verification of hours difficult. Ultimately, if the clerk has signed the timesheet, and a councillor or councillors have counter-signed it, that should be verification enough to approve payment.

Councillors could ask for more detailed timesheets, or review output on a regular basis, or ask for an ongoing task list provided to them at regular intervals, which lists individual projects with updates and confirmation of completion. All these take time, so are an additional cost to the taxpayer.

It is for councillors to decide upon appropriate action in resolution of this issue.

Hogroast – extract from initial Internal Audit Report

“This payment is problematic. There appears to be no prior discussion and vote upon disbursement on this item; there is no direct evidence that the event took place (although a resident has confirmed that to their knowledge, a gathering of 30 people did happen); there is no date for the event; there appears to have been only one quote for provision of the hog roast; the invoice does not have full details of the supplier; there is no clear reason for the event and therefore no specific power to disburse can be identified; the expenditure was authorised as a subsidiary item not mentioned in the Minutes but only on a separate schedule not previously posted publicly (the current clerk has corrected this oversight), at the meeting at which all councillors resigned so that it is likely the event, although nominally arranged and certainly paid for by council, was not hosted by councillors lawfully in office. It would perhaps have been better in those circumstances to cancel the event.”

Hogroast – further comment subsequent to queries raised above

If confirmed, the sequence of actions involved in the authorisation and payment of the invoice for the hogroast event appear not to comply with statutory requirements on a number of points.

There was no decision prior to the 18th May meeting to organise a village event to include a hogroast, so there was no clear power to spend.

Payments over £100 are required by transparency regulations to be posted on a freely-available website – this payment was not (it now has been published as required). The regulations only apply to councils with turnover under £25,000; nonetheless it is accepted best practice that councils over that limit should follow the regulations.

The hogroast's attendance has been described as 30 people. If this is the case, then the expenditure of £675 could be considered as benefit not commensurate with the expenditure, and hence would not comply with statutory requirements.

The payment for the hogroast was transacted on 20th May, when none of the councillor signatories were still councillors (to be confirmed, depending on written evidence of resignations). It is arguable, depending on bank regulations and council's agreed arrangements for emergency loss of signatories, that those individuals therefore had no authority to access the council's bank account and make payments.

Governance – Recommendations

Extract from initial Internal Audit Report

“A Grants Policy should be established to include all expenditure under s137, or community events, to include a requirement to provide feedback to council on the effectiveness/benefits to the community, whether the event in fact took place, whether expenditure was commensurate with benefit. Most importantly, grants should be discussed and agreed upon, and Minuted, prior to any disbursement and prior to any event taking place.”

Further Governance recommendations

The basis upon which councillor signatories have authority to access the bank account should be spelled out clearly, in writing (in addition to the undertakings that they sign up to with the bank), and signatories required to sign that they understand their legal obligations and the restrictions on their authority should they cease to be councillors.

It is often the case that changing signatories on a bank account takes a long time, and a plan for making payments in the interim should be considered.

Potential action for Council to consider following queries raised

Councillors could request an additional ordinary meeting to consider the supplementary Internal Audit Report, and agree any actions necessary. Those should be communicated to any concerned member of the electorate, with the aim of pre-empting the requirement for Objection to the External Auditor.

Once again, I thank the Clerk, member(s) of the public who have raised these important issues, and councillors for their time and input.

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