

## **REPORT**

**To:** Walberswick Parish Council  
**Author:** Mary Mitson-Woods  
**Date:** 11th February 2017  
**Subject:** Proposals to aid discussion and address Issues Arising Report from BDO following External Audit for the year ending 31st March 2016  
**Appendix:** Issues Arising Report for Walberswick Parish Council received 9th February 2017

Following receipt, and having studied the 12 matters raised in the Issues Arising Report, I recommend in the strongest terms, that the members of Walberswick Parish Council adopt the following measures to comply with issues raised from the 2015/16 External Audit. By adhering in full to compliance with the Legislation and Regulations that are in place to ensure sound and transparent financial governance the Council will not only operate , but be seen to operate, for the benefit of all of the residents of Walberswick within the law.

While studying this Report it must be acknowledged that many of the recommendations have already been put in place during the time that Mrs Karen Forster was RFO. The period to which the Audit applies was a troubled time, during part of which the Council was inquorate and had no Clerk or RFO in place. From experience the author is aware that proper training is key to giving Councillors the knowledge and confidence to give of their best to their community whilst serving on the Parish Council.

The Issues Arising Report requires that Walberswick Parish Council advertises, with 7 clear days' notice and within one month of receiving the Report, in the East Anglian Daily Times, a meeting of WPC and the Agenda should include the following resolutions:-

### **Finance**

To consider Issues Arising Report to WPC from External Auditor BDO for the year ending March 31st 2016. To resolve that: -

1. In 2015/16 there was no officer in place and Councillors were unable to complete the work. WPC will comply with the Accounts and Audit Regulations 2015 in that Notice of Conclusion of Audit will be displayed by 30th September 2017 and each year from then on.
2. From May 2015 the Council became inquorate and was unable to approve and sign the Minute of the last meeting. After 10 months the s91 appointments were made but at the first quorate meeting in March 2016 there was a failure to approve the Minute of the last meeting. This was understandable in the light of the timescale and pressure the Council was subjected to. Minutes of Council meetings will be consecutively numbered, signed at the following meeting and each page initialled by the Chairman in accordance with Schedule 12 para 41(2) of the Local Government Act 21972.
3. In future all boxes on the Annual Return will be completed resulting from box 11, Section 2, not being completed in the 2015/16 Return. The omission was a very minor error.

4. The Council will consider its Financial Risk Assessment annually in accordance with Regulation 4 of the Accounts and Audit Regulations 2015. This was done at Minute 43/16 b dated 23rd November 2016 and will continue to be reviewed annually.
5. The WPC was presented with a draft budget which it agreed at its meeting of 2nd February 2015 (Minute item 8). However, a budget for the year 2016/17 could not be prepared as the Council was inquorate. A reforecast budget to 2016/17 was prepared, discussed and accepted at the PC meeting held on 23rd November. (Minute 47/16a). A budget for 2017/18 was prepared, discussed and agreed on November 23rd 2016 (Minute 47/16b). This was the basis on which the PC requested its precept for the year ending March 31st 2018. To comply with the Local Government and Finance Act 1992 para 50(1) WPC will ensure that a budget is properly prepared and is monitored at each Council meeting and compared against expenditure
6. The Annual Parish Meeting will be held on Thursday. The Annual Meeting of the Parish Council in 2015 was at the point where there was no Clerk in office and the Council became inquorate at that point. The Annual Parish Meeting will be held 13th April 2017 to comply with the Local Government Act 1972 section 13(1) and will be held annually between 1st March and 1st June.
7. In future WPC will be administered in compliance with the Accounts and Audits Regulations 2015, the Local Audit and Accountability Act 2014 and the Transparency Code for Smaller Authorities. Therefore positive responses will be given to all Governance questions on the Annual Return.
8. The only reason that the reserves increased was that the inquoracy of the PC meant that no transactions to spend were authorised for many months. There was no officer and administration costs and effectively no Council operating. At the budget discussion in November 2016 due diligence was given to future budget and reserve monitoring.
9. This item is already discussed at item 1 of this report as the items are inextricably linked, this also applies to the comment on the electors' rights. WPC resolves that all sections of the Annual Return for the year ending 31st March 2017 will be approved at the Annual Parish Council meeting on 15th May 2017 to comply with the requirement to be approved by Councillors by 30th June 2017. This will ensure that the Exercise of Electors' Rights will be adhered to, this period to include the statutory requirement to include the first 10 working days of July 2017. The Annual Return and all supporting financial documents will be displayed on the Parish Council noticeboard and on the PC section of the village website.
10. In 2015 it was impossible to discuss the PIR at the Council was inquorate until March 2016. In future any Public Interest or any other statutory recommendations will be discussed by members within the statutory requirement of 1 month or a period to be agreed with the auditors.

11. As is well known for a prolonged period the WPC was subjected to continuous, and at times vexatious, requests and letters. Due to this barrage there has been enormous difficulty in recruiting and retaining Clerks and Councillors. However it was agreed at the PC AGM 2016 that the Chairman was the Proper Officer until a Clerk could be appointed. Any future vacancies on the WPC will be filled as soon as is practicably possible. In the case of the resignation of the Clerk/RFO the post will be advertised and filled as soon as possible. Should the Council become inquorate or without an officer at any time in the future it will react and ensure it is acting within it's statutory requirements as soon as possible.
12. All financial transactions have been publicised as required under the notice of meeting legislation and approved and minuted since August 2016. All future projects/ payments which exceed £1000.00 will be subject to 3 tenders where possible. WPC will abide by it's Financial Standing Orders and statutory requirements by authorising and minuting all expenditure prior to orders being placed. All payments over 100.00 will be displayed in the Finance Reports on the village Noticeboard and website.
13. Money will be set aside from reserves to access training for Councillors and for the Chairman. It will be a prerequisite for all new Councillors to complete a training course before the end of their first year in office. The following information will be made available to each Councillor:

The Good Councillors' Guide 2016

Suffolk Code of Conduct

SALC Briefing Paper on Code of Conduct and Precept Setting

Transparency Code for Smaller Authorities

Openness and Transparency on Personal Interest – A Guide for Councillors

Governance and accountability For Smaller Authorities in England - section 5  
published June 2016