

Bishop Auckland Town Council
Internal Audit Recommendations progress report
October 2022

Item	Category	Actions as agreed at Town Council on 14 June 2022	Update on progress
Deposits - To consider transferring some funds to an alternative Bank with FSCS cover (not one related to one of Council's existing Banks) (subject to the appropriate notices being given) to reduce the balances in any account held by the Council to below the £85,000 limit, particularly at the beginning of the financial year.	Essential	<p>The Clerk had sought advice directly from the FSCS in May 2022. “FSCS does not protect deposits made by a public authority (including a parish council), unless it is a small local authority with an annual budget of up to EUR500,000.”</p> <p>BATC currently has annual budget of over Euro500,000 as Savings totals over £332,000 Precept of over £230,000 Total budget over £560,000 Takes BATC over the 500,000 Euro once a conversion has been done.</p> <p>£560,000 Sterling converted to Euro is 655,872Euro</p> <p>If savings were to change next and the budget available were to reduce to less than 427,000 we may be under the limit but at present we are over it.</p> <p>The Council agreed to approach Barclays to open an additional account, Clerk to report to the Finance Committee Progress in July 2022</p>	<p>There have been delays with opening an account with Barclays due to elected members who are bank signatories resigning from their positions.</p> <p>Options for other Bank is TSB or NatWest – they both have their own licence under FSCS</p> <p>TSB offers a business savings account with a rate of 0.55%AER – instant access</p> <p>NatWest – 0.40%AER – 35 day notice 1.0%AER – 95 Day Notice</p> <p>Barclays 0.20% AER</p>

<p>VAT</p> <p>a) To state in future reports to the Council the net payment + any vat to paid for all transactions.</p> <p>b) To revert to the quarterly refund claim period with HMRC</p>	<p>Essential</p>	<p>Staffing issues in 2021-22 caused workload issues which impacted upon this.</p> <p>Council agreed that reports will be updated and quarterly returns will be made for 2022-23.</p>	<p>Quarter one refund submitted and received. Q2 return processed.</p> <p>Additional Cost Code Created to code VAT reclaim to ensure transparency.</p> <p>All quotes for work to council taking new format of NET & VAT clearly labelled.</p>
<p>Estimates/Quotations/Formal Tenders - If the Council is minded to deal directly with a contractor for works costing more than £1000 ex vat then it must be clearly stated in the minutes the basis upon which it has been decided to waive the relevant clause in its Financial Regulations.</p> <p>There must be good reasons stated for this to be the case and I would expect that, if used, it would be for small works only and in exceptional cases.</p>	<p>Essential</p>	<p>Council Agreed that moving forward this will be clearly stated in any Council reports and in Council Minutes.</p>	<p>Looking at the 2021-22 year (copy attached) the majority of payments over £1000 were Salaries and associated HMRC, Pensions etc Election Re-charge, food festival etc.</p> <p>However moving forward it would be clearly identified in minutes when any deviation from the quotations etc were done.</p>
<p>Agenda - In accordance with the Council's Financial Regulations all Agenda to include a copy of the payments to be approved/authorised with the Agenda excepting those which might be regarded as confidential (ie staff wages/HMRC tax etc returns)</p>	<p>Essential</p>	<p>The regulation states <i>“5.2. The RFO shall prepare a schedule of payments requiring authorisation, forming part of the Agenda for the Meeting and, together with the relevant invoices, present the schedule to the Finance Committee. The Committee shall review the schedule for compliance and, having satisfied itself shall authorise payment in accordance with limits detailed in para 4.1. A detailed list of all payments shall be disclosed within or as an attachment to the minutes of the meeting at which payment was authorised. Personal payments (including salaries, wages, expenses and any payment made in relation to the termination of a contract of</i></p>	<p>The financial regulation is based upon the NALC model Finance regs.</p> <p>The process followed was inline with the historical practice of the Council of issuing the payment list as part of the agenda pack.</p> <p>The minutes of the meeting then contain an annex which has the list of approved payments included. However only the agenda and minutes are published online.</p> <p>Report Format is being updated. See Attached.</p> <p>Recommended:</p> <p>Members to agree if they wish for all</p>

		<p><i>employment) may be summarised to remove public access to any personal information.”</i></p> <p>Due to covid and staffing, payments for approval and meeting papers have been issued electronically or tabled at the meetings. However the Agenda does always include the item, and the payment list is included in the minutes. Council agreed that steps be taken to address this and that the Clerk look to improve the format of the report.</p>	council papers to be published online with the agenda for the meeting.
Approval of Minutes - To note my comments and review the procedure for Minutes to be approved as per my comments under this heading on Page 11 of this Report.	Essential	<p>Whilst best practice is for Committees to approve own minutes, and then agenda items on Full Council where there is and item to adopt Committee Recommendations. Council agreed that all minutes would still be approved and actioned at Full Council Meetings to ensure that all Members have the opportunity to pass comment on the actions of Committee. However minutes will be included on sub committee meetings to ensure that the meeting is aware of its previous actions etc.</p>	<p>Minutes are being included on sub-committee meetings.</p> <p>Full Council are agreeing the Decisions made at the meetings.</p> <p>Recommended: That the Clerk look to adopt a process of action log per meeting to be used for the ‘matters arising agenda section’</p>
Other matters noted in the Minutes - See under this heading on Page 11 - to report the corrections to the council/Committee concerned.	Essential	Agreed to address these issues at the next meeting of Council In July 2022	Covered on the agenda for November 2022 – due to delays due to staff absence etc.
Trees - To continue with the commissioning of annual surveys (unless the Council's Tree Surgeon recommends otherwise).	Desirable	Agreed that the tree surveys will form part of the allotment site work plans.	Tree works are planned for Nov 2022. Schedule of Annual Tree Survey to be done as part of site maintenance plans for each site.

To contact the Weardale Railway Company re the overhanging branches next to the Pollards allotments.		Agreed that the Clerk is to raise the issue with the Manager of the Weardale Railway now that the line is being brought into use.	Liaison has taken place the Weardale Railway are going to do some tree works using the same contractor as that the council has appointed.
Members Training - Councillors should endeavour to attend suitable training sessions.	Desirable	Agreed that all training sessions will be continue to be communicated to Members.	All training continues to be offered to Councillors. Strategic Planning session may identify specific training needs.
The New Offices - When considering any leases for the surplus accommodation in its new offices the Council should consider having separate meters installed in the offices and that the lessees should be responsible for their own general rates rather than be included in a general service charge which might work against the Council if it does not itself pay such rates.	Desirable	Agreed to look to develop an accommodation strategy which will look at incorporating the recommendation.	Strategic Planning session will start to form the basis of the accommodation strategy.