

BISHOP AUCKLAND TOWN COUNCIL

28TH AUGUST 2020

PROPOSED RESPONSE TO INTERNAL AUDITORS RECOMMENDATIONS

| Auditor's Recommendations | Proposed Response | Completion date |
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| <p>1. Reserves Monitor the balances held in Reserves bearing in mind the advice received from the External Auditor in 2018.</p> | <p>Reserves were unduly high for 2019-20 due to the purchase of the new building at Kingsway. Members will be reminded of this at the budget setting meetings for 2021-22, and the Clerk will be encouraging them to consider the amount held in reserves.</p> | <p>Budget setting meeting in Dec 2020</p> |
| <p>2. Future Precepts Similar comment to 1) Reserves above.</p> | <p>Members will be reminded of this at the budget setting meetings for 2021-22, and the Clerk will be offering varying options for precept setting.</p> | <p>January Full Council Meeting 2020</p> |
| <p>3. Deposits To consider transferring some funds to alternative Banks with the FSCS cover (subject to the appropriate notices being given) to reduce the balances in each account held to below the £85,000 maximum.</p> | <p>To contact CDALC to seek advice on other suitable banks that offer FSCS cover.</p> | <p>Budget setting meeting of the Finance Committee Dec 2020</p> |
| <p>4. VAT To state in future reports to the Council whether any purchase/quotation is inclusive of VAT.</p> | <p>The Town Council will present purchases/quotations by Net value for comparison and include any VAT element where applicable. A tendering process has been established and the Council is going to be part of the Procurement Service supplied by DCC</p> | <p>Ongoing Agreed at Town Council in Nov 2020</p> |
| <p>5. Fidelity Guarantee Cover To monitor the level of cover under this heading on the basis that it is currently set at £350,000.</p> | <p>Fidelity Guarantee Cover will be amended to £500,000 at the next policy renewal. This has been done as the cover renewed in Sept 2020.</p> | <p>Complete Sept 2020</p> |
| <p>6. Trees To continue with the commissioning of annual surveys (unless the Council's Tree Surgeon recommends otherwise).</p> | <p>The Allotment and Environment Committee are developing a full work plan to encompass annual tasks and project work this will be included.</p> | <p>Allotment and Environment Committee Feb 2021</p> |

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| 7. Business Interruption To monitor any possible claims under this Insurance Cover (if valid) as a result of any such interruptions which might arise under Covid-19. | The council is addressing this and will monitor any possible claims. The Council will add this to the annual Insurance Cover | Sept 2020 |
| 8. Food Festival The Council should request a financial statement from the County Council for the cost of running this event in order to be satisfied that it is a loss leading event but still providing value for money as a community based event. | The Council will be requesting a financial statement from DCC regarding the contributions which it makes to ensure that it is providing value for money. | Full Council December 2020 |
| 9. Allotments To review the costs managing the Woodhouse allotments and whether consideration should be given to transferring these allotments to an Allotment Association/Society. | The Allotment and Environment Committee are developing a full work plan to encompass annual tasks and project work this will be included. The plan will include the what associations can look like and expect from the council. As part of this the Council will ballot the allotment holders to see if there is appetite for this to happen. | Allotment and Environment Committee Feb 2021 |
| 10. Members Training Councillors should endeavour to attend suitable attend suitable training sessions. | The Town Clerk will report all available training to members and encourage attendance. A Member training record has been established, and induction training programme is being developed for new members joining the Town Council | Ongoing |
| 11. Staffing matters The Council should review staff salaries on a regular basis particularly at this time when the Council has been without a new Clerk for some time, transferred its offices and has had to deal with some of issues arising during the Covid-19 pandemic. | The HR Committee have asked the Town Clerk to address this matter, option for Job evaluation processes are being investigated and will be reported back to members. | HR Committee January 2021 |
| 12. The New Offices Before granting any leases out on the new accommodation the Council should clarify whether the new premises qualify for the Small Business Rate Relief scheme. | The Council are gathering this information as and will be considering it as part of the emerging strategy for rental of the surplus office accommodation in the new premises. | Advice has been sought awaiting response and will be reported to members in Dec 2020. |

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| <p>If so any such leases should make the lessees 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 general rates.</p> | | |