

Report No.5

Report to Policy & Resources Committee 13th August 2013

Internal Audit actions

1. Purpose of the report

- 1.1 To advise the committee of the actions to be taken following the Internal Auditors report on 2012/2013.

2. Background

- 2.1 At the last meeting of the Policy and Resources Committee the report from the Internal Auditor was received.

- 2.2 The report highlighted actions that were required to be introduced during the current year.

- 2.3 The actions included the following:-

- settlement of outstanding Value Added Tax with HMRC,
- the introduction of a formal Risk Register to include areas in addition to financial risk,
- investigate the introduction of commitment accounting,
- greater use of term deposit accounts to generate interest.
- allocation of budget to agreed priorities

3. Proposals

- 3.1 The Town Clerk has been in correspondence with HMRC and is awaiting a response on the payment of VAT outside of the routine system.

- 3.2 The Chair of the committee has offered to work with the Town Clerk and the office team to establish an appropriate Risk Register

- 3.3 The Chair and Vice Chair of the committee will work with the Town Clerk to investigate a move towards commitment accounting, initially for larger items of expenditure.

- 3.4 The Town Clerk will continue to place reserves on term deposit but investigate medium and short term rates so as to enable funds to be accessed as required.

- 3.5 The Chair and Vice Chair will work with the Town Clerk to review the reserves and the manner in which they are identified before producing a report to committee and the budget for the next Civic Year will be based upon priorities agreed by the Town Council

4. Financial Implications and risks

- 4.1 There are no direct financial implications but the actions identified will satisfy the areas of improvement sought by the Internal Auditor.

5 Recommendation

- 5.1 The committee is requested to note the proposals and agree the actions to be taken.

Jeff Penfold
Town Clerk
06.08.2013