

Pettistree Parish Council

Internal Audit Report Response & Action Plan 2023/24 - 13 June 2024

There were two recommendations and two comments encouraging further action included in the Council's internal audit report for 2023/24, dated 4 May 2024, prepared by Suffolk Association of Local Councils. The following responses and actions were agreed by the Council on 13 June 2024:

(REC01) Council is advised to consider reviewing the level of general reserves held as the current level of £363.06 is 5% of net revenue expenditure. Whilst the council may be able to draw on its CIL Reserves to fund some unforeseen event, they are restricted reserves and may not be able to be used for general expenditure. Council is advised to work towards setting an appropriate level of general reserves as a budgeted percentage of the precept and/or average annual expenditure.

Following subsequent advice received from East Suffolk Council, the Council's costs towards the purchase and installation of a defibrillator in 2023/24, amounting to £1,046.00, has been permitted to be funded from earmarked CIL Receipts reserves. Consequently, the level of the Council's general reserves at the end of 2023/24 has been increased to £1,185.00 which is equivalent to 25% of the precept of £4,740.00 requested for 2024/25. Consequently, a statement of accounts including an acceptable level of general reserves will be presented to the Council by the Responsible Financial Officer for approval at its meeting in June 2024.

(REC02) Council should ensure that the minutes are consecutively numbered month on month, year on year and not just for the meeting.

The Parish Clerk will implement a consecutive numbering system when preparing the minutes for each meeting during the year following the Council's annual meeting in May 2024.

(COM01) The cashbook and minutes make reference to the powers used to incur expenditure; however some expenditure has been limited to the use of LGA 1972 s111. Council should note that statutory powers, are granted by Parliament give local councils the choice or opportunity to take action and are therefore discretionary. Like all powers given to public bodies the powers of local councils are defined in detail in legislation and these details may include a requirement to obtain the consent of another body. Local Councils must exercise their powers subject to the provisions of the general law. The use of s111 is an ancillary power only and council should note that the powers of an existing statute must be used if there are any. By way of examples: expenditure incurred for payments for the newsletter should be LGA 1972 s142; for websites it should be LGA 1972 s142; for grounds maintenance it should be either Public Health Act 1875 s164 or Open Spaces Act 1906, ss 9&10 and the fee for ICO should be Freedom of Information Act 2000.

The Responsible Financial Officer will attribute these recommended legislative powers to similar payment transactions in the future commencing in April 2024.

(COM02) Payments identified as being made under Section 137 for the year under review totalled £73.61 but it is queried as to whether the following power might be better suited to incur such expenditure: Highways Act 1980 s274A.

The Responsible Financial Officer will attribute this recommended legislative power to similar payment transactions in the future commencing in April 2024.