



Elmton with Creswell Parish Council

Introduction

The audit has been carried out remotely on a sample basis of documents provided by the Clerk, also through information available on the Council's website, Chat GPT and from matters raised with the Clerk. During the audit reference has been made to the 'Practitioners' Guide' and the DALC Internal Audit Checklist has been used.

Audit

The following were reviewed:

- Accounting Records and Council Minutes
- Compliance with Standing Orders and Financial Regulations
- Risk Management and Insurance
- Budgets and Reserves
- Income and VAT compliance
- Staffing and Payroll arrangements
- Asset Control
- Compliance with Transparency Code
- Key governance documents

Since the previous internal audit, the Council has reviewed its procedures and implemented a number of measures to strengthen governance, internal controls, and compliance with statutory and regulatory requirements. These actions have been introduced in response to recommendations arising from both the internal and external audit processes and are intended to improve transparency, accountability, and the effectiveness of the Council's financial and administrative arrangements.

To provide clear evidence of progress and support future audit reviews, it would be beneficial for the Council to prepare and maintain a summary report detailing the actions taken in response to audit recommendations.

Internal Audit Recommendations

1. Risk Management Arrangements

The Council currently relies on its Risk Management Plan and does not maintain a separate Risk Register incorporating Red, Amber and Green (RAG) risk ratings. Given the size of the Council's precept and the scale of its activities, the Council should consider implementing a formal Risk Register which identifies key risks, assesses their likelihood and impact, assigns ownership, and records mitigating actions. The register should be reviewed regularly by Members and used to support strategic decision-making.

Recommendation: The Council should establish and maintain a RAG-rated Risk Register and review it quarterly.

2. Fidelity Guarantee Insurance

The Council should review the level of Fidelity Guarantee Insurance currently in place to ensure that the cover remains appropriate and proportionate to the level of funds and financial transactions undertaken by the Council.

Recommendation: The Council should undertake an annual review of its Fidelity Guarantee Insurance cover and document the outcome within the Council minutes.

3. Asset Register and Insurance Review

The Council maintains an Asset Register; however, there should be a formal process to ensure that assets recorded are consistent with those insured. Regular reconciliation will help ensure that all Council assets are adequately protected and correctly valued for insurance purposes.

Recommendation: The Council should review the Asset Register against its insurance schedule annually and formally approve the updated register.

4. Annual Asset Verification Procedure

Whilst an Asset Register is maintained, there is no evidence of a documented annual asset verification process.

Recommendation: The Council should implement a formal annual asset inspection and verification procedure/process, with the results reported to Members and recorded in the minutes.

5. Standing Orders and Direct Debits

The Accounts and Audit Regulations require that payments made by standing order and direct debit are appropriately controlled. During the audit, no evidence was identified demonstrating that Members had approved a list of standing orders and direct debits, together with the associated payment amounts, during the financial year.

Recommendation: The Council should approve annually a schedule of all standing orders and direct debits, including payment values, and record this approval in the minutes.

6. Publication of Procurement and Contract Information

The Council's Transparency Code obligations require the publication of information relating to procurement activities and contracts above the prescribed threshold.

Recommendation: The Council should ensure that details of every invitation to tender for goods and services exceeding £5,000 are published on its website. In addition, details of any contract, commissioned activity, purchase order, framework agreement, or other legally enforceable agreement with a value exceeding £5,000 should be published in accordance with transparency requirements.

7. Training Policy and Staff Development

A recommendation was made in the previous audit year for the Council to adopt a Training Policy. No evidence was identified during this audit that a Training Policy has been formally adopted or included within the Council's approved policy framework. In addition, there was no evidence available to confirm that regular staff appraisals are being undertaken.

A formal Training Policy would help ensure that Members and staff maintain the knowledge and skills necessary to fulfil their roles effectively and comply with statutory and regulatory requirements. Regular staff appraisals provide an opportunity to review performance, identify development needs, and agree training objectives.

Recommendation: The Council should develop, approve, and implement a Training Policy covering both Members and staff. The Council should also ensure that staff appraisals are undertaken on at least an annual basis, with training and development needs identified, documented, and monitored.

8. Procurement Policy

The Council does not currently appear to have a formal Procurement Policy in place. A documented policy would provide clear guidance on purchasing procedures, value for money considerations, tendering requirements, and transparency obligations.

Recommendation: The Council should develop and adopt a Procurement Policy setting out procurement thresholds, quotation and tender requirements, delegated authority arrangements, and compliance with relevant legislation and best practice guidance.

I would like to record my thanks to the Clerk and RFO for help in carrying out the audit and providing information in a clear and concise manner.

I would be happy to discuss any of the above matters further with the Council or the Clerk if this is considered necessary.

S Stockdale.

Suzan Stockdale

9 June 2026

The Audit has been carried out as part of the DALC Internal Audit Team