

Do the Numbers Limited
 37 Upper Brownhill Road
 Southampton
 SO16 5NG
 15th May 2018

Joanna Cadman, Locum Clerk
 Bramshott and Liphook Parish Council
 The Haskell Centre,
 Midhurst Road,
 Liphook,
 Hants GU30 7TN

Dear Joanna,

Subject: Matters arising from Internal Audit for 31 March 2018

Following my visits to the council office this week and earlier in the year, please find below the list of the matters arising. Overall I found the records of the council to be in good order and that the visits went well. You have kept the office running well during the Clerk's absence.

Control area	Matter arising	Recommended Action
Bank statements	The council are correctly recording the bank balances in the minutes, but not signing the actual statements back to the ledger. <i>(raised last three years)</i>	Members are legally responsible for council funds. Each councillor should take it in turn to initial the reconciliation back to the original statement.
Payment listing	Since last autumn, no payments or bank balances have been minuted as approved. This is a breach of LGA 1972	Members are responsible for the monies held by the council. They should have noticed this omission.
Electronic payments	Now that the Office team has been at full strength for some time, the council should bring in electronic payment of supplier invoices. <i>(also raised last year)</i>	The controls of the council are good and the best practice procedures would simplify administration of payments.
Deposit accounts	At present all of the funds of the council are held in the Lloyds deposit account earning 0.05% interest. Although FSCS risks are not cause to change accounts, better return is. <i>(also raised last year)</i>	The council should look at moving some of its standing reserves to a higher interest account. This would also reduce the risk of all funds being in an account linked to the current account.
Email and Web support	The charges incurred by the council for email and web hosting are significantly higher than other councils. It may be that the product supplied is not the best value for money. <i>(also raised last year)</i>	The council should actively seek to review the service offered and bring its email / web bills back into line with the norm for councils of under £200 per year.

Staff appointments	When staff (including Locum staff) are appointed, the minute of such should clearly state their terms so that members can validate the wages bill.	The rate of pay, hours and pension terms of all staff should be minuted on commencement of employment and annually as part of budget setting.
Fixed asset register	The asset register held by the council is not being updated every time an asset is purchased. It has also not been reconciled to the figure used by DCK for the accounts.	The Council's own register is the master record and should be used and updated regularly from now on.
Tenders and quotes	It is a requirement of the Transparency Code and good practice to clearly minute the name and value of the winners of all quotes and tenders.	Whenever significant procurement is being undertaken, the "ABC method of minuting should be used" <i>(example here)</i>
Earmarked reserves	The earmarked reserves in the accounts prepared by DCK did not agree to minuted decisions or good practice.	All earmarked reserves should be shown as Balance Sheet codes on Omega and reviewed by members annually to check that they are valid.
Annual Return calculations	DCK Beavers prepared a set of accounts that did not agree to the Omega system. The Omega system had not been validated before the year end was run. The journals they entered resulted in the balance sheet and the annual return being over £70,000 out of balance. The reserves journals they put through do not comply with current guidance. The asset register in their accounts is incorrect.	The master record set is the Omega system. All adjustments must be agreed back to it. The Deputy Clerk has been provided with journal entries for 1 st April which will rectify the errors made by DCK.
Members interests	It appears that not all members of the council are including their home address when they live in the parish. If they get involved in planning, highways or other issues this could lead to accusations of conflict of interest. <i>(also raised last year)</i>	Please could all members of the council show their home address on the forms held by the Monitoring officer, or ask that EHDC upload a dispensation.
Petty Cash	The council is looking at bringing back petty cash at the LMC.	This should be set up as a cash book in the Omega system and overseen by the Deputy Clerk.
Transparency Code	The council is not routinely uploading the full agenda pack to the website – to support decisions made.	The ICO has previously ruled on this issue – agenda backs should be uploaded from now on.

Please find enclosed my invoice for the agreed fee of £950. My detailed review of the Fixed asset register will be ready in a few weeks. If either you or your councillors have any queries, please do not hesitate to contact me.

Regards



Eleanor S Greene

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Director: Eleanor S Greene