



FINAL

Internal audit report 2019/20

Visit 6 of 6

SWANAGE TOWN COUNCIL

Date: 29th May 2020

Report author: R Darkin-Miller
Email: r.darkin@darkinmiller.co.uk

Introduction

This report contains a note of the audit recommendations made to Swanage Town Council following the carrying out of internal audit testing on site on the 3rd, 11th March 2020, and remote working on the 12th March, 26th and 28th May 2020.

The audit work has been carried out in accordance with Appendix 9 of the 2014 'Governance and Accountability for Local Councils: A Practitioners' Guide', with additional tests specific to the Council as agreed with the Town Clerk and Finance Manager, and tests required by the AIAR section of the 2019/20 AGAR.

An internal audit covers the review of the operation of the Council's internal control environment. It is not designed to review and give full assurance over every transaction carried out by the Council. Instead it enables the auditor, following the sample testing of a number of different types of transaction, to give an opinion as to whether or not the control objectives are being achieved across a range of financial and governance systems.

Audit Opinion

The internal audit for 2019/20 has now been completed in accordance with the provisions of the Practitioners' Guide and the CIPFA code of internal audit practice.

Based on the sample testing carried out at this final audit visit and during the year, all of the Council's current financial controls appear to be operating effectively.

Audit Recommendations

Recommendations made during the audit are shown in appendix one to this report. Recommendations are graded as follows:

Rating	Significance
High	Either a critical business risk is not being adequately addressed or there is substantial non-conformity with regulations and accepted standards.
Medium	Either a key business risk is not being adequately addressed or there is a degree of non-conformity with regulations and accepted standards.
Low	Either minor non-conformity with procedure or opportunity to improve working practices further.

The number of recommendations made at this audit visit and their priority are summarised in the following table:

Rating	Number
High	0
Medium	1
Low	0
Info	0
TOTAL	1

The number of recommendations made in total during this audit year is as follows:

Rating	Number						
Visit	1	2	3*	4	5	6	TOTAL
High	2	0	1	0	1	0	4
Medium	0	1	3	0	3	1	8
Low	3	2	0	0	2	0	7
Information	0	0	0	0	0	0	0
TOTAL	5	3	4	0	6	1	19

I would like to thank Martin Ayres, Town Clerk; and Alison Spencer, Finance Manager for their assistance during this audit.

*includes 1 finding from a confidential report

Darkin Miller ~ Chartered Accountants
2019/20 INTERNAL AUDIT OF SWANAGE TOWN COUNCIL
FINAL REPORT VISIT 6 OF 6: 29th MAY 2020

Appendix 1 – Recommendations and Action Plan

Recommendation number	Detail	Priority (Low/Medium/High)	Management Response	Responsible Officer	Due Date
10.1 – Audit update report	<p>I checked to see that agreed audit recommendations have been implemented. I found that some recommendations relating to more complex matters (e.g. the resolution of issues with one of the Trusts administered by the Council, which rely on responses from a third party) had not been implemented by the agreed deadline.</p> <p>I recommend that an audit action plan is maintained for agreed recommendations that have not been fully implemented, with an update report made to the Policy, Finance and Performance Management Committee on a regular basis, in order to ensure that progress with implementing recommendations is monitored.</p>	M	The progress of the implementation of agreed actions following audit recommendations should be reported to the Policy, Finance and Performance Management Committee for review.	TH1/TH3	October 2020