**ST. JUST-IN-PENWITH TOWN COUNCIL**

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| **Council Offices**  **The Library**  **Market Street**  **St Just**  **Penzance**  **Cornwall TR19 7HX**  **Telephone & Fax:**  **(01736) 788412**  **Email:**  **townclerk@stjust.org** |  | crest_mono_lores |
| **www.stjust.org** |  |  |

23 September 2020

**INTERNAL AUDIT COMMITTEE**

You are hereby summoned to attend the next meeting of the Internal Audit Committee to be held as follows: -

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| **DATE:** | **MONDAY 28th SEPTEMBER 2020** |
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| **TIME:** | **5.30 P.M.** |
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| **VENUE:** | **Zoom** |

**Members of the public are also invited to attend Council meetings and are able to address the Council on any item on the public part of the agenda.**

Town Clerk

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| To: |  |
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| Chairman: | Brian Clemens |
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| Vice Chairman: |  |

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| Committee |  |
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| Sue James |  |
| Jonathan Manser | Debbie Shephard |
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**28th SEPTEMBER 2020**

**AGENDA**

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| 1. | Apologies for Absence |
| 2. | Declarations of Interest |
| 3. | Minutes  To pass the following resolution:  **RESOLVED** – that the Chairman signs as a true and accurate record the Minutes of the Meeting of the Committee held on February 2019 (copy attached). |
| 4. | Internal Audit  To discuss any issues arising out of the interim audit report for the year ended 31 March 2020. The Action Plan was taken to full Council at 20 July 20 meeting.  Audit Report.  The report recognised that the council had an eventful year with devolution of the Library, major staff changes and at times without a Clerk/RFO. The IA said the situation for 2020/21 would be different now that a full-time Clerk/RFO was in post. Procedures would also be put in place to address the comments made by the internal auditor; starting with some actions at this meeting (20 July 20). The council agreed a review meeting will be held by the Internal Audit Committee at the end of September 20 to monitor progress.  Investment Strategy  The Council discussed the need to have a clear view on its current investment strategy (auditor comment). The Town Council strategy would need to be in line with its devolution aspirations; which would shortly be realised. The Councils strategy would be to value security over yield during this time; when interest rates are extremely low. The Town Council therefore expects to use its £100,000 earmarked reserve for the purchase of a Car Park. If for any reason this devolution project does not take place it would then review its investment strategy. The Council agreed itscurrent investment strategy is accepted, namely to value security over yield during this time when interest rates are extremely low. The Council would review its investment strategy in 2021.  Actions taken:  The Council appointed the Internal Auditor for 2020/21 Mr Hudson; who has provided excellent service for a number of years to the council in this role.  The Petty Cash upper limit of £150 was discussed. The Council needs to make sure it never uses petty cash to pay anything over £150. (Auditor Report).  The Town Council noted the Quarter 1 Financial Report at the 20 July 20.  Appointment of two Councillors (not Bank signatures) to check all invoices/payments with the bank account (auditor comment). Debbie Shephard and Constance Moore volunteered with Brian Clemens in reserve to carry out these checks. The process will start in mid-September and the clerk will run through the process with them; subject to the current coronavirus restrictions. Will need to come up with a safe system that works for those councillors.    Petty Cash is really meant only for small costs items (Auditor Report).  If the Council has large costs such as Neighbourhood Plan (NP) item, they need to be treated like all other council expenditure. They are presented to the full Council in advance of payment who will either agree to pay or not at the council meeting. The invoice given to the council must be clearly authorised by the N Plan Chair or Treasurer that it is indeed agreed by the N Plan Group to avoid disputed items getting presented. |
| 5. | Risk Management Arrangements  The Committee is asked to carry out the annual review of the Council’s risk management arrangements for recommendation to full Council. Details attached.  The current situation with Barclays Bank is unsatisfactory and it is suggested that another Current and deposit account is set up and run alongside the Barclays Accounts for 3 months. Once the Council are satisfied to leave £85K invested with Barclays but close their current account and transfer surplus to new Bank Account.  This will achieve two goals to change the banking relationship with Barclays. Ensure we have better spread of investment in light of the IA recommendation. |
| 6. | Asset Register  The committee is asked to review the current asset register as attached. (It is update). |
| 7. | Financial Regulations  The current regulations need to be reviewed periodically by the committee. I believe the changes/reinforcements above are sufficient in these Coronavirus Crisis times. The Committee is asked to carry out the annual review of the Council’s current financial regulations to ensure that they are fit for purpose, for recommendation to the full Council.  A copy of the current financial regulations is attached. |
| 8. | External Audit  To discuss the arrangements for external audit from 2020/2021. |
| 9. | Exclusion of the Press and Public |
|  | If necessary, to consider passing the following resolution:  “RESOLVED - that under Section 1 (2) of the Public Bodies (Admission to Meetings) Act 1960, it is proposed that, because of the confidential nature of the business to be transacted, the public and press be excluded from the meeting for the business specified in the following item(s).” |