

Do the Numbers Limited

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10th January 2018

Amanda Jobling, Clerk
Hamble Le Rice Parish Council
Memorial Hall, 2 High Street
Hamble-le-Rice
Southampton, SO31 4JE

Dear Amanda,

Subject: Review of matters arising from interim Internal Audit for 31 March 2018

Please find below the final list of matters arising following my visit to the office today. The matters listed below should be addressed before the year end.

Control area	Issue	Recommended Action
Standard documents	The council has not reviewed, updated and approved the Standing Orders, Financial Regulations and Risk Assessment this financial year.	This is a requirement of the current audit regime. The reviews should be done and the outcomes clearly minuted.
Register of members interest.	Several members of the council have not included either their home address or their place of work on their members' interest forms. The forms are there to protect members from accusations of conflict of interest and should be filled out completely.	Every member has an interest in their home in the parish – no matter what terms they live there. Sources of income should clarify lack of bias. The parish website should include links to the up to date complete list at the Borough
Committees	The council appears to operate committees which do not properly publish their minutes. Members must attend meetings in person to ensure quorum.	It is a requirement of the Transparency Code and good practice that all minutes are published on the website within one month of any meeting.
Payment listing	The list of payments included in the minutes does not always include all entries and is not always signed.	The complete payment list for the whole month should always be signed into the minutes to comply with LGA 1972
External Audit Report	The original External Audit report for autumn 2017 was not to hand during the visit.	Such reports should be uploaded to the website on receipt (as per the Transparency Code)

Budget monitoring	The budget report from the Omega system had some anomalies in its projections due to automatic calculations. These have been rectified	Before presenting reports to members, officers should check that assumptions made by the system are reasonable.
Earmarked reserves	The council has identified several projects to be undertaken in the next 18 months that will be funded from reserves. This will bring the general reserve back to a more prudent level.	The earmarked amounts should be set up on the Accounts system so that the Balance Sheet becomes a more useful document and reserves monitoring undertaken quarterly.
Electronic banking	It is unclear from the office systems whether Barclays are operating proper MLR procedures to ensure that members cannot access the Parish Accounts from their personal bank and vice versa.	Any members who can see both personal accounts and parish accounts at the same time should cease using the system until Barclays put proper controls in place. (screenshots as evidence are useful)
Fixed Asset Register	The fixed asset register has not yet been updated for additions, disposals and obsolete items in 2017/18	Items should be added and removed from the register on the date of the transaction.
Leases and rentals	The council has numerous small / peppercorn leases and rentals.	When these are billed, the exact dates and terms should be specified and any uplifts correctly applied.
Office filing and communication	Hamble Parish council is unusual in the number of local stakeholder groups (relating to the river, the refinery, tourism, housing and infrastructure) with whom officers and members must engage on a regular basis.	The fact that some items of filing could not be located during the visit reflects on the complexity of the demands on the office and when staffing resource is being reviewed it would be prudent to take into account resilience of service delivery to electors.

I will return to the office on May 10th to complete the review of the systems and controls.

If either you or your councillors have any queries, please do not hesitate to contact me.

Regards



Eleanor S Greene