

## 2014 / 15 Annual Return Action Plan

The external auditors report for 2014/15 stated “Except for the matters reported below, on the basis of their review of the Annual Return, in our opinion the annual return is in accordance with proper practice and no matters have come to our attention giving cause for concern that relevant legislation and regulatory requirements have not been met”

Three points were noted and four other matters were drawn to the attention of the Parish Council. Potto Parish Council is fully committed to complying with relevant legislation and regulatory requirements and in-order to fully address these matters, has agreed the following action plan for the items noted in the external auditor’s report;

External Auditors Report				
Item	Description Report	Response	Action	Success Criteria
1	It is our view that the Council has been in breach of Schedule 12, paragraphs 10(2)(a) and (b) of the Local Government Act 1972 regarding the late issue and publication of Council agendas on several occasions during 2014/15. Potentially this means that electors may have been denied a proper opportunity to input on Council business. We also note that the meeting time is generally not shown on agendas. As a result, Assertion 3 of the Annual Governance Statement (Section 2) should have been answered ‘No’ and this non-compliance with Schedule 12, paragraph 10(2)(a) of the Local Government Act 1972 also means that Council decisions at any such meetings may have been ‘unlawful’	<p>The statutory requirements are for the agenda to be issued to Councillors giving 3 clear days’ notice.</p> <p>(Local Government Act 1972, s.243: The meaning of ‘clear days’ excludes the day on which notice was issued and the day of the meeting. A Sunday, a day of the Christmas break, a day of the Easter break, a bank holiday or a day appointed for public thanksgiving or mourning do not count when calculating three clear days.</p> <p>The agenda is to be issued to Councillors three clear days before a meeting.</p> <p>The agenda will be posted on the village notice board no later than three clear days before a meeting.</p>	Clerk	The agenda to be emailed to councillors and posted on the village notice board at least three clear days before a Parish Council meeting
2	As raised in our previous two years’ External Auditor Reports, the Internal Auditor has again stated that the Council did not provide evidence of assessing the	<p>The Parish Council have put in place in place a risk management strategy that is reviewed on an annual basis.</p> <p>The Parish Council will</p>	Councillors	Six monthly reviews of the Risk Management Strategy

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	significant risks to achieving its objectives and review the adequacy of arrangements to manage these. In our opinion, the Council has failed to address the concerns expressed by ourselves and the Internal Auditor in previous years and Section 2, Assertion 5 should have been answered 'No'.	undertake six monthly reviews of the Risk Management Strategy.		undertaken.
3	The Council failed to publish the audited Annual Return by 30 September 2015, the date required by the Accounts and Audit (England) Regulations 2011, as transitionally saved, due to challenge correspondence received in relation to the Annual Return, which had to be considered by the appointed auditor before the Annual Return could be signed.	The external auditors confirmed;  The wording of the audit report clearly states that the failure to meet the deadline was due to circumstances outside the Parish Council's control.  The audit report was placed on the notice board when it was received from the auditor in line with the Accounts and Audit Regulations 2011. The Annual Return will also be posted on the Potto Village website.	No further Action Required	The audit report to be placed on the notice board and posted on the Potto Village website.
<b>Other Matters</b>				
<b>Item</b>	<b>Items in Report</b>	<b>Action</b>	<b>Responsibility</b>	
OM1	Section 1 of the Annual Return was not accurately completed before submission for review.  The accounting statements included errors related to accounting for cancelled cheques, grants received and petty cash balances.	It was noted that the figures in the Annual Return were correct however, the requirements for the allocation of grants associated with the precept and petty cash allocation required reallocation. It was noted that from 2016 this grant allocation would no longer apply. This is to be flagged to the internal auditor	Chief Financial Officer / Chairman	Correct allocation of funds in Annual Return
OM2	The Council should improve its documentation of the budgeting process in future years.	Potto Parish Council prepares a comprehensive spreadsheet each year detailing all items that are included in its budget the spreadsheet was put in place to replace the previous paper versions in 2010 and records every budget on the same workbook since that time for comparison purposes. The draft budget is prepared towards the end of the year and sent to Councillors in advance for their information and for comment, the Precept Budget is then	Chief Financial Officer / Chairman	No Action Required

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		scheduled for discussion and each item is discussed in detail during council meetings before being agreed, proposed and voted on, the agreed budget which forms the Parish Precept is forwarded to the District Council for their further approval.		
OM3	The Council should formalise its approach to dealing with elector correspondence and ensure that Agenda items referring to such correspondence are accurate in future.	<p>Potto Parish Council has in place a robust approach to elector correspondences.</p> <p>Procedures have been adapted to acknowledge every correspondence,</p> <p>Items are placed on the agenda for discussion and resolution.</p> <p>Freedom of Information requests are responded to in-line with FOIA guidelines.</p> <p>Potto Parish Council have in place a robust complaints procedure should this be required, which can be found on the Parish Website</p>	Clerk / Councillors	To be reviewed on a regular basis.
OM4	We are of the opinion that the Council should provide a detailed written response to the ongoing complaint received in April 2014, referring to the advice it has taken from external sources.	<p>Potto Parish Council formally addressed this complaint at the time, resolved and closed the matter and informed the complainant accordingly.</p> <p>These actions comply with the Potto Parish Council complaints procedure which can be found on the Parish Website.</p>	No Action Required	No Action Required

This action plan addresses all of the points raised by the external auditor for the 2014/15 annual return.

Potto Parish Council