FINAL

Internal audit report 2024/25

Visit 2 of 3

HAYDON WICK PARISH COUNCIL

Date: 1st April 2025

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Introduction

This report contains a note of the audit recommendations made to Haydon Wick Parish Council following the carrying out of internal audit testing remotely on 13th February 2025.

The audit work has been carried out in accordance with Appendix 9 of the 2014 'Governance and Accountability for Local Councils: A Practitioners' Guide', as supplemented by the requirements of later IA sections of the 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

As this audit report is an interim one, no audit opinion is offered at this stage.

The report issued after the final visit for 2024/25 (which will be between April and June 2025) will contain the audit opinion.

The following areas were reviewed during this audit visit:

1. Risk Management
2. Budgetary Control
3. Payroll

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	2
Info	0
TOTAL	3

I would like to thank Georgina Morgan-Denn, Chief Officer/Clerk and RFO; Jodie Smart, former Finance Officer & Deputy RFO; and Kendel Pyne, Accounts Assistant for their assistance during this audit.

Darkin Miller Chartered Accountants
2024/25 INTERNAL AUDIT OF HAYDON WICK PARISH COUNCIL
FINAL REPORT VISIT 2 OF 3: 1st APRIL 2025

Appendix 1 – Recommendations and Action Plan

Recommendation number	Detail	Priority (Low/ Medium/ High)	Management Response	Responsible Officer	Due Date
7.1 – Ensure payroll underpayment corrected	I checked to see that salaries agreed with those approved by the Council. I found that all staff salaries agreed with the exception of one employee who had not received an increment of one scale point that was due. The Deputy RFO confirmed that the error was due to be corrected and an additional payment made in the March 2025 payroll. I recommend that the error is corrected as planned.	L	Correction Applied	JS/GMD	Done – end Feb 2025
7.2 – Ensure contribution rates reviewed on change to contract hours, scale point or end of probation	I checked to see that pension contributions had been correctly calculated and paid over. I found that one employee appeared to be paying a lower amount of pension contributions than was due. The Deputy RFO confirmed that an increase in the contribution rate was due in August 2025 following the end of the employee's probation but that it was overlooked in error. The increase was effected in September. I recommend that contribution rates are reviewed following changes to staff hours, scale points or the end of probation, in order to ensure that the correct rate is paid.	L	Correction Applied. Rates are reviewed at the point of salary changes, this one, however was missed.	JS/GMD	Done – end Feb 2025

7.3 – Check overtime hours and rate of pay for one employee	I checked to see that a sample of other payments to employees were reasonable, properly supported and approved by the Council. I found that the layout of the timesheets for one member of staff (about which a recommendation was made last year) remained confusing, and that it was not possible to prove the total and split of overtime hours worked over a four week period. The Deputy RFO confirmed that this had been subsequently addressed with a revision to the number of hours and schedule of work which should prevent a similar situation arising in future. I was unable to prove that the correct hourly rate had been applied in relation to one element of overtime. The Deputy RFO confirmed that the rate had been calculated incorrectly by someone providing payroll cover during her absence. I recommend that the Council checks that the correct number of hours and rate of pay were applied in relation to overtime for this employee, with any amendments being made as soon as possible.	M	Closed. The timesheets have been simplified and closely monitored by Line Manager. Closed. The checks are in place.	JS/GMD JS/GMD	Done – end Feb Done – end Feb