

STIRCHLEY AND BROOKSIDE PARISH COUNCIL
ANNUAL GOVERNANCE STATEMENT 2023 – 2024: EXCEPT FOR MATTERS

ID	STATEMENT	AGREED	COMMENT	REMEDIAL ACTION
1	We have put in place arrangements for effective financial management during the year and for the preparation of the accounting statements.	No	<p>Reconciliations have been undertaken and presented to Councillors though the year. However, these were not presented promptly enough.</p> <p>Critically low staffing levels resulted in backlogs of tasks being undertaken within a reasonable timescale.</p> <p>Investigation of a transaction booked early in 2022/23 was noted to have impacted VAT values, contributing to a delay in the preparation of end of year accounting statements.</p>	<p>A review of the priorities is being undertaken to ensure that financial information is provided to Council in a timely fashion.</p> <p>A review of the staffing levels required to support the Council and its activities is being undertaken.</p> <p>The review undertaken and advice provided by the Scribe Accounts team ensured that the actions required to remedy the transaction from 2022/23 have placed the Council's finances in a position to move forward without the requirement to recheck history.</p>
2	We maintained an adequate system of internal control including measures designed to prevent and detect fraud and corruption and reviewed its effectiveness.	No	<p>The proposed review was delayed due to critically low staffing levels and backlogs impacting ability to consider and agree level of adequacy of controls and oversight responsibilities.</p> <p>A level of mitigation is in place due to introduction of process whereby separate emails providing details, including purpose of payments placed on the Council's banking platform are advised to the Councillors authorised to approve the payments. These emails are also copied to the Chair and Vice-Chair of Council.</p> <p>The authorising Councillors are able to see the accounts and validate balances.</p> <p>Copies of invoices are provided to Councillors for review and approval at Council where these exceed the discretionary limit of the Clerk.</p>	<p>Process to be reviewed and Councillor scrutiny to be increased to level to satisfy Council that adequate control is being maintained.</p> <p>Monthly payment transaction reports will be introduced for presentation at meetings of Council.</p>

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3	We took all reasonable steps to assure ourselves that there are no matters of actual or potential non-compliance with laws, regulations and Proper Practices that could have a significant financial effect on the ability of this authority to conduct its business or manage its finances.	Yes	The matters raised in the previous year's statement were not repeated in this year. No other matters arose in the year that prevented the Council seeing compliance with the statement.	Maintain vigilance.
4	We provided proper opportunity during the year for the exercise of electors' rights in accordance with the requirements of the Accounts and Audit Regulations.	No	The Council failed to meet the deadline required to enable the electors' rights were enabled.	Future year end efforts to be undertaken more timeously and deadlines met.
5	We carried out an assessment of the risks facing this authority and took appropriate steps to manage those risks, including the introduction of internal controls and/or external insurance cover where required.	No	A risk assessment was drafted and presented to Council on 12 March 2024. However, this took place at the end of the year leaving insufficient opportunity to ensure that identified risks could be addressed in a timely manner. In light of further data required, it was agreed that the assessment would be treated as a draft.	Further work to be undertaken to enable a final version of the risk assessment be presented to Council and adopted. Ongoing work will be undertaken to address identified risks, progress reports of which will be presented future meetings of Council.
6	We maintained throughout the year an adequate and effective system of internal audit of the accounting records and control systems.	No	Critically low staffing levels resulted in a focus on the tasks required to ensure the Council served its obligations to the community and kept the community centre open and accessible. Adequate audit checks were not undertaken through the year.	Resolution of the legacy issues, improved staffing levels and realignment of task priorities will enable more and effective audit checks to be undertaken.
7	We took appropriate action on all matters raised in reports from internal and external audit.	No	Critically low staffing levels contributed to delays in reviewing and resolving the matters raised in reports from internal audit being completed through the year. A full review of the matters raised in the internal audit report has been undertaken post year end and presented to Council. The external audit review was extended through the year and receipt of the report and findings in March prevented the Council addressing the points raised.	Improved staffing levels will enable prioritisation to be given to monitoring of points raised in audit reports. Reviews to be undertaken with progress reports presented to Council. Council agendas will include quarterly updates on progress.

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8	We considered whether any litigation, liabilities or commitments, events or transactions, occurring either during or after the year-end, have a financial impact on this authority and, where appropriate, have included them in the accounting statements.	Yes	Litigation and liabilities events and transactions arising from the previous year were resolved during this year. A review of the Council's affairs noted no further financial transactions of concern. An ongoing loan repayment programme to clear down a long-term facility provided by the Public Works Loan Board is accounted for on the financial statements.	Maintain vigilance.
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Chris Maclean, Locum Clerk and Responsible Financial Officer to the Council

21 July 2024