



WALES **AUDIT** OFFICE

SWYDDFA **ARCHWILIO** CYMRU

Report in the Public Interest - Audits of Accounts 2005-06 to 2009-10

Mawr Community Council

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Status of report

Status of this public interest report

This report in the public interest has been prepared in accordance with Section 22 of the Public Audit (Wales) Act 2004.

No responsibility is accepted in relation to any officer, member or any other person in their individual capacity or any third party.

Contents

This report is issued in the public interest under Section 22 of the Public Audit (Wales) Act 2004. I have issued this report to draw the public's attention to a failure in governance arrangements and inadequacies in financial management and internal control at Mawr Community Council.

Introduction	5
The Clerk failed to discharge his responsibilities in relation to the financial management of the Council	6
The Clerk failed to discharge his statutory responsibilities to properly maintain the accounting records	6
The Clerk's poor administration of the Council's payroll arrangements has resulted in overpayments and other errors and exposes the Council to the risk of financial penalties	7
Due to the inadequate arrangements for administration of payments by the Clerk, I am unable to establish the validity of a significant proportion of the Council's total expenditure	10
The Council failed to discharge its responsibilities to establish appropriate governance and supervisory arrangements to prevent inappropriate or wasteful use of public money	12
Reliance on trust and lack of supervision by members contributed to failings in financial management	12
The purchase of un-receipted and un-invoiced goods and services is inappropriate and exposes the Council to the risk of fraud and other financial risks	13
The Council has failed in its statutory duty to maintain an adequate and effective internal audit	13
The Council has failed in its statutory duty to maintain proper records of its proceedings and decisions	14
The Council has established arrangements to reclaim VAT on fuel for the welfare halls in Felindre, Craigcefnparc and Garnswllt which may not be in accordance with HM Revenue and Customs rules	14
Poor governance and administration within the Council has resulted in the Council incurring unnecessary and avoidable expenditure totalling £10,500	15

Action already taken by the Council	17
Recommendations	17
Next steps	18

Introduction

1. This report is issued in the public interest under Section 22 of the Public Audit (Wales) Act 2004. I have issued this report to draw the public's attention to a failure in governance arrangements and inadequacies in financial management and internal control at Mawr Community Council (the Council). I believe it is important that the public have a full and proper awareness of the events concerning the Council. I also consider it appropriate to give the Council an opportunity to demonstrate the important steps taken to improve arrangements and to ensure that the risk of such governance failures recurring is reduced to a minimum. There are lessons to be learnt from the findings in this report, not just by the Council, but by all community councils in Wales.
2. The community of Mawr is located in the Swansea valley and includes the villages of Felindre, Craigefnparc, and Garnswllt. The Council has 12 elected members and serves a population of approximately 1,800 people. The Council spends between £30,000 and £40,000 annually on local services. Its principal source of income is an annual precept of approximately £30,000 on the City and County of Swansea Council. The Council derives its funding from the public purse and its members are elected by local residents. The Council is, therefore, accountable to the local electorate of Mawr.
3. Community councils such as Mawr, by their very small local nature, normally rely on one key officer, the Clerk, to manage their administrative affairs. More often than not, the Clerk is also appointed in the capacity of Responsible Financial Officer (RFO). The RFO is responsible for administering the financial affairs of the Council on a day to day basis. In particular, this involves preparing cheque payments for signing by members, maintaining the accounting records and preparing the annual accounting statements. Mr Robert King has been Clerk and RFO to the Council since April 2005.
4. By law (the Accounts and Audit (Wales) Regulations 2005 (the Regulations)), the responsibility for the stewardship of Council funds, including ensuring that it has effective and efficient financial management, rests with the Council (that is the Members). This includes such things as:
 - establishing an appropriate system of internal control or financial checks and balances that the Council uses to manage its money on a day to day basis;
 - establishing an effective internal audit function; and
 - approving the annual accounting statements prior to submission to the external auditor for examination.
5. The Public Audit (Wales) Act (the Act) requires the Auditor General to appoint an external auditor to the Council. Following the retirement of the former Appointed Auditor in March 2010, I was appointed in accordance with the Council's notice of audit appointment, issued under the Act. This appointment is a joint appointment with Mazars LLP covering the accounting periods 2006-07 to 2009-10.
6. The statutory audit for 2005-06 commenced in late 2005 and has taken an unusual length of time to complete. In part, this is due to the lateness of submission of the annual accounts by the Clerk. For example, the 2004-05 and 2005-06 accounts were

not approved by the Council and submitted for audit until July 2007. Furthermore, there were frequently delays between the former appointed auditor requesting information and the Clerk providing the information requested to the auditor. However, it is also clear to me that the Wales Audit Office could have done more to bring the audit to completion at an earlier stage, thereby reducing the impact on the Council of the issues reported below. In June 2009, the Wales Audit Office revised its protocol for dealing with unresponsive community councils. This protocol was again reviewed and updated in October 2011.

The Clerk failed to discharge his responsibilities in relation to the financial management of the Council

The Clerk failed to discharge his statutory responsibilities to properly maintain the accounting records

7. Under the Accounts and Audit (Wales) Regulations, the RFO must determine, on behalf of the Council, after consideration of proper practices, its:
 - accounting records, including the form of accounts and supporting accounting records; and
 - accounting control systems.
8. The accounting records must be sufficient to show the Council's transactions and must, among other things:
 - be sufficient to ensure that any accounting statements comply with the Regulations;
 - contain entries from day to day of all sums of money received and expended by the Council; and
 - record the assets and liabilities of the Council.
9. The accounting control systems must, among other things, include:
 - measures to ensure that the Council's financial transactions are recorded as soon as reasonably practicable and as accurately as reasonably possible;
 - measures to enable the prevention and detection of inaccuracies and fraud; and
 - the ability to reconstitute any lost records.
10. The RFO must also ensure that the accounting control systems are observed and that the accounting records are kept up to date and maintained in accordance with proper practices.
11. The Clerk is the Council's RFO. However, the Council's primary accounting record, i.e. the cash book (receipts and payments book), is written up by the internal auditor based upon information supplied by the Clerk. The Council's annual accounts are also prepared by the internal auditor. I have commented further on this matter in paragraphs 56 to 58. However, despite this arrangement, responsibility for the accounting system remains with the RFO, i.e. the Clerk.

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12. My audit identified a number of anomalies in the cashbook and annual accounting statements, including:
- Total receipts and payments recorded in the annual accounting statements do not agree with the receipts and payments recorded in the cash book. In some cases, the differences arise from the incorrect exclusion of VAT from the accounting statements.
 - Cheque number 102999 (payable to HM Revenue and Customs) is recorded in the cashbook on 31 March 2009. However, the cheque itself is dated 5 April 2009. I have commented further on the Clerk's administration of payments in paragraphs 33 to 41.
13. Despite these errors, the Clerk has certified that the accounting statements properly present the Council's receipts and payments in each year.

The Clerk's poor administration of the Council's payroll arrangements has resulted in overpayments and other errors and exposes the Council to the risk of financial penalties

14. The Council employs seven members of staff (the Clerk and caretakers and deputy caretakers for each of the three community halls). The Clerk and the caretakers are paid a monthly salary. The deputy caretakers are paid for one month each year while the caretaker is on annual leave. Additional payments are made to cover sickness and other absences of the caretakers. However, my audit identified the following anomalies in the payments made.

The Clerk's salary

15. The Clerk has stated that in addition to his twelve months salary, the Council pays the equivalent of one month's salary in lieu of the Clerk taking annual leave. In December 2006, the Clerk reported this to the Council as 'holiday pay entitlement' and received payment for holiday pay for both 2005-06 and 2006-07. However, this arrangement did not apply to the previous Clerk employed in 2004-05. The Council does not have a record of the Clerk's contract of employment and I have not been able to identify when the Council agreed to this arrangement with the Clerk.
16. Based on the information provided by the Clerk, during the five year period 2005-06 to 2009-10, he was entitled to the equivalent of 65 monthly payments of salary. This includes the 'holiday pay entitlement' referred to by the Clerk. During the audit I noted that the Clerk actually drew the equivalent of 66 months' salary plus a small amount of overtime pay.
17. As shown in Table 1 below, in 2006-07, the Clerk drew the equivalent of 16 months' salary including an overpayment of net salary of £259:

Table 1

	£
Twelve months salary for 2006-07	3,111.24
'Holiday pay' equivalent to one month's salary for 2006-07	259.27
Salary arrears for March 2006 paid in April 2006	259.27
'Holiday pay' equivalent to one month's salary for 2005-06	259.27
Unidentified payment	259.27
Total net pay to Clerk in 2006-07	4,148.32

18. In February 2010, the Clerk paid himself overtime for attendance at meetings in excess of his normal work time. However, this payment was neither reported to nor approved by the Council.
19. The Clerk's salary is due at the end of each month. Excluding the stated holiday pay entitlement, the Clerk draws his monthly salary before it is due to be paid on a regular basis. In some cases, the Clerk drew his salary more than one month before it was due to be paid. Some consecutive salary payments were drawn only a few days apart.
20. As an employer, the Council must deduct Income Tax and employees National Insurance contributions (NICs) from employees' pay and send the amounts deducted to HM Revenue and Customs each month or quarter along with employers' NICs. This system is called Pay As You Earn (PAYE). PAYE deductions are recorded on HM Revenue and Customs P11 Deduction working sheets. PAYE deductions may be paid to HM Revenue and Customs on either a monthly or quarterly basis. Payments must be made within nineteen days of the end of the relevant month or quarter.
21. My examination of the HM Revenue and Customs P11 deduction working sheets for the Clerk identified the following:
 - The timing of payments of the Clerk's salary bears no relation to the period in which it is recorded on the P11 deduction sheet. The deduction sheet indicates that the Clerk's salary is paid on a regular monthly pattern.
 - An overtime payment of £148.90 in February 2010 was not recorded on the P11 deduction sheet.
 - In July 2009, the Clerk received the equivalent of two months' salary. However, PAYE deductions made were based on only one month's salary being paid. This resulted in the Council not deducting £67.73 in tax and employee NICs from the Clerk's salary.
 - Although the P11 deduction sheets show tax deducted and the HM Revenue and Customs Employer payslip booklet indicates PAYE deductions are paid to HM Revenue and Customs on a regular basis, payment of all 2009-10 deductions was only made in April 2010.

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- 22.** This practice exposes the Council to risk of penalties and interest charges. The Council should now review in detail the tax and NIC calculations made by the Clerk and agree any underpayment with HM Revenue and Customs.

Caretakers' salaries

- 23.** In a normal year, the Council's accounts should show 13 monthly salary payments for each hall, 12 for the caretaker and one for the deputy caretaker. Additional payments may be made to the deputy when the caretaker is on sick leave.
- 24.** My audit identified that payroll cheques for the caretaker of the Felindre hall are made out to the Clerk. The Clerk explained that because the caretaker does not have a bank account, he pays the caretaker in cash drawn from his personal bank account. The Clerk explained that this practice was necessary because the Council's own bank would not permit the Council to draw cash from the Council's account. The Clerk does not require the caretaker to provide a receipt for the cash payment. Therefore, it is not possible to confirm whether or not the caretaker has received all the payments recorded as having been made.
- 25.** In 2009-10, the Council's accounts record a total of 16 payments of salary to the caretaker and deputy caretaker, totalling £2,979 in respect of Felindre hall. This is actually equivalent to the payment of 18 months' salary.
- 26.** In December 2009, the caretaker provided a medical certificate confirming that she was unable to work. Two days later, the Clerk drew a cheque made payable to himself, equivalent to three months of the caretaker's salary. The Council's records state that this payment was for the caretaker's salary.
- 27.** However, the Council's records show that by December 2009 the caretaker had already been paid 11 months' salary. Furthermore, the Council's records indicate that the caretaker received further salary payments in February and March 2010. In total, the Council's accounting records show that the caretaker received the equivalent of 16 months pay in 2009-10. This represents an overpayment of £662.
- 28.** The Clerk has stated that some of the payments have been misclassified as being made to the caretaker when they should have been recorded as payments to the deputy caretaker. However, the Clerk has been unable to provide any documentation to support this assertion.

Payroll reporting arrangements

- 29.** Payroll costs are not presented to the Council in detail. When submitting the list of payments for Council approval, the Clerk only states wages and salaries for the Clerk and caretakers. No record of individual payments, including overtime payments, is presented. Had the Council seen the payments being made, it would have been possible to identify that payments were being made other than at monthly intervals and that overpayments were being made.

Due to the inadequate arrangements for administration of payments by the Clerk, I am unable to establish the validity of a significant proportion of the Council's total expenditure

30. Each month, the Clerk reports to the Council a schedule of 'accounts for payment'. These are recorded in the Council minutes. Other than in exceptional circumstances, the Council's normal procedure is to approve payments before cheques are made out and signed. For the reasons set out in paragraphs 31 to 43 below, it would be good practice for cheques to be issued as soon as possible after the meeting at which the payments are approved.

Approving payments

31. During the course of the audit, I noted various payments that have been made which do not appear to have been approved by the Council. This includes cash payments for which no receipt or invoice is obtained by the Clerk. I have commented further on this issue in paragraphs 38 to 43.
32. This issue has also been noted by the Council's internal auditor.

Recording payments

33. The most important accounting record for the Council is the cashbook (receipts and payments book).
34. During the audit, I noted that although the cash book records payments in cheque sequence order, the dates noted in the cash book are haphazard. For example:

Table 2

Date	Cheque number
06/11/2008	102027
06/11/2008	102028
05/11/2008	102029
05/11/2008	102030
08/11/2008	102031
07/11/2008	102032
17/11/2008	102033
17/11/2008	102034
19/11/2008	102035
17/11/2008	102036

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35. The Clerk has explained that cheques may be written in anticipation of receiving an invoice and will then be signed and dated when the invoice is actually received and the payment approved. The Clerk has also confirmed that cheques may be signed before they are prepared. However, the former chairman, Cllr TD Williams, contradicts this and stated that cheques were only written during the meeting at which the payments were approved. I comment further on this issue in paragraphs 48 to 51.
 36. The practices adopted for preparing and signing cheques lead to a haphazard recording of cheques. This is part of a wider pattern of poor record keeping and failure to apply internal controls, as set out in the rest of this report.
 37. In order to properly manage the Council's finances, it is essential that the writing of cheques and all other transactions are recorded in the cashbook at the time they occur.

Invoices, receipts and cash payments

38. In order to demonstrate the validity of any payment made, it is essential that the Council retains sufficient documentation to demonstrate:
 - when the payment was made;
 - who it was made to; and
 - what the payment was for.Without this information, it is not possible to establish with certainty the validity of any given payment.
39. I noted during the audit that payments are frequently only supported by a 'receipt' prepared by the Clerk.
40. Payments for expenses the Clerk incurred are mostly unsupported by invoices or receipts.
41. In addition, the Clerk has purchased goods and services (e.g. mini bus hire and purchase of building materials) making payment by cash but without obtaining a receipt. The cashbook entry is 'supported' by a typed sheet prepared by the Clerk. Although the former Chair was able to confirm the validity of some of the payments, the typed sheets prepared by the Clerk are insufficient to ensure the validity of the payments.

Payments made to the Clerk

42. Many cheques are made out to the Clerk as reimbursement for payments incurred on the Council's behalf. In 2009-10, these payments totalled over £2,700. The Council's records, including the cash book and cheque stubs, do not record the Clerk as the payee of the cheques.
43. This practice, combined with the lack of supporting receipts and invoices (noted above) mean that it is not possible to substantiate the validity of most of the payments made directly to the Clerk.

The Council has failed to discharge its responsibilities to establish appropriate governance and supervisory arrangements to prevent inappropriate or wasteful use of public money

Reliance on trust and a lack of supervision by members contributed to the failings in financial management

44. The Regulations clearly specify that the Council is responsible for putting in place and ensuring that there is a sound system of internal control which includes adequate and effective financial management (Regulation 4). This system of internal control includes adequate and effective internal audit (Regulation 6).
45. The issues identified above in paragraphs 7 to 43, demonstrate that financial management exercised by the Council has been weak throughout the period under review. In addition, my audit also identified the following specific areas of concern:
 - lack of regular financial reports to the Council;
 - failure to comply with statutory rules for signing cheques and members signing blank cheques, i.e. cheques that have not been completed with details of payee and amount etc.

Financial reports

46. The Council's minutes record that the only substantive financial information reported to the Council consists of a budget received when the annual precept is determined and a schedule of payments requiring approval that is presented to each Council meeting. However, as noted above, these schedules are incomplete.
47. Good practice, adopted by many other community councils of a similar size to Mawr, is for the Council to receive regular, i.e. monthly or quarterly, reports of income and expenditure compared with the annual budget. Had the Council required these reports from the Clerk during the period under audit, the inadequacies found in the Council's financial records might well have been identified earlier.

Use of cheques

48. Section 150(5) of the Local Government Act 1972 states that 'Every cheque or other order for the payment of money by a parish or community council shall be signed by two members of the council'.
49. During the financial years under audit, the Council's cheques have only been signed by Cllr TD Williams and the Clerk. In one instance, in contravention of the bank mandate, I identified that only the Clerk had signed the cheque. These arrangements mean that the Council has failed to comply with statutory requirements for every payment made by cheque during the period under audit.

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50. I also noted that Cllr TD Williams has pre-signed a number of cheques (numbers 1003177 to 103180). These are cheques that have been signed but do not contain any details of payee, etc. The Clerk has confirmed to my audit team that Cllr TD Williams previously adopted the practice of signing cheques without the details being completed or being shown supporting documentation for the payment. Instead, Cllr TD Williams simply relied on the Clerk to act properly. Cllr TD Williams stated in interview that this occurred when he knew he would be unavailable to sign cheques for some time.
51. This practice exposes the Council to risk of loss through fraud. Furthermore, if supporting documents had been reviewed before payments were made, the Council may have identified for itself the issues I have noted regarding payments. It will also have identified the early and overpayment of salaries.

The purchase of un-receipted and un-invoiced goods and services is inappropriate and exposes the Council to the risk of fraud and other financial risks

52. In both January 2010 and April 2009, the Council hired two minibuses at a cost of £30 per vehicle, to transport residents to protests at the Swansea Civic Centre. On each occasion, the Clerk paid the vehicle supplier in cash and reclaimed the costs from the Council. There are no records available to identify the vehicle supplier. The only receipt for the payment is a typed sheet prepared by the Clerk. Cllr TD Williams, has however confirmed that the minibuses were hired.
53. In an interview, the Clerk stated that he did not know the identity of the supplier and that the supplier had asked to be paid in cash. He noted that the minibus provider was recommended by Cllr TD Williams.
54. In normal circumstances, suppliers will provide invoices or receipts for the supply of services and will not insist upon cash payments. Where this does happen, the Council should consider whether the supplier intends to keep the transaction 'off the books'. If the supplier does not record the transaction there is a risk that the Council will not be covered by any insurance arrangements and may be held liable in the event of any accident. The Clerk has commented that his personal insurance provides cover to drive any vehicle with the owner's permission. I have not confirmed whether the Clerk has the necessary business use cover that would be required to drive on council business.

The Council has failed in its statutory duty to maintain an adequate and effective internal audit

55. Regulation 6 requires the Council to maintain an adequate and effective system of internal audit of its accounting records and of its system of internal control. The purpose of internal audit is to examine and provide assurance on the day to day activities of the Council.

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56. For internal audit to be fully effective, the auditor should not have any involvement in the day to day decision-making or maintenance of the Council's accounting records. For much of the period subject to audit, the Internal Auditor has written up the cash book from information provided by the Clerk and prepared the end of year bank reconciliations and accounting statements.
 57. In its submission to me regarding the contents of this report, the Council "pointed out... that in previous years the Internal Auditor has reported in respect of many of the imperfections outlined in your report." It is important that the Council give due consideration to reports and recommendations made by internal audit and address any weaknesses identified. The "imperfections" identified cover all of the years under audit. It appears that the Council has failed to take appropriate action when issues have been brought to its attention by internal audit.
 58. The lack of independence and the Council's failure to properly consider the reports made by internal audit mean that during the period under the Council did not have an adequate and effective system of internal audit.

The Council has failed in its statutory duty to maintain proper records of its proceedings and decisions

59. The Local Government Act 1972 requires the Council to keep minutes of its proceedings. These minutes must be entered in a book kept for the purpose. The minutes must be signed by the person presiding at the meeting during which the minutes are approved.
60. The Council maintains its minutes in a loose leaf minute book. During the course of the audit, I noted that the loose leaf minutes are not consecutively numbered, initialled or signed. Loose-leaf minute books are lawful provided that the pages are consecutively numbered and initialled by the person signing the minutes at the time of signature. However, minutes which are not drawn up or signed in accordance with the law are not, for example, receivable as evidence in court.

The Council has established arrangements to reclaim VAT on fuel for the welfare halls in Felindre, Craigeffnparc and Garnswllt which may not be in accordance with HM Revenue and Customs rules

61. The welfare halls in Felindre, Craigeffnparc and Garnswllt are leased to individual hall management committees. Under the terms of each lease, the Council is responsible for repairs to and maintenance of the structure of the buildings. The hall committees are responsible for routine maintenance of the interior of the buildings. In addition, the Council provides some financial support for the hall committees.

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62. The Council has entered into arrangements with each of the hall management committees that it pays utility bills on behalf of the hall management committees. The hall management committees reimburse the Council for the amount paid net of VAT. The Council reclaims the VAT from HM Revenue and Customs and pays this balance to the respective hall committee.
 63. Both the Clerk and the former chair have confirmed that this arrangement was established to maximise the resources available to the community as a whole. However, as a general rule, one party is not able to reclaim VAT on expenditure incurred on behalf of another body.
 64. In order to avoid potential penalties, the Council should ensure that these arrangements have the approval of HM Revenue and Customs.

Poor governance and administration within the Council has resulted in the Council incurring unnecessary and avoidable expenditure totalling £10,500

65. During the audit, I identified that the Council has incurred significant sums of expenditure that was wholly unnecessary and avoidable. This expenditure arose from bank charges and interest and excess payments of salary.

Bank interest and charges

66. Throughout most of the period from 1 April 2005 to 31 March 2010, the Council maintained savings deposit accounts with total balances in excess of £10,000.
67. In spite of this, the Council's current account has periodically become overdrawn. On occasions, the current account was overdrawn for a period of more than one month. As a result, the Council incurred bank charges in excess of £2,720. During the same period, the Council earned just over £1,120 in interest on the deposit balances. These charges could have been avoided by transferring funds from the savings account. These additional charges are noted in Table 3 below.

Excess salary payments

68. As noted earlier in my report, the Council has incurred excess salary payments to the Clerk (£259 in 2006-07) and Felindre Hall caretaker (£663 in 2009-10). These overpayments are noted in Table 3 below

Table 3: Avoidable costs incurred by the Council

Between 1 April 2004 and 31 March 2010, the Council incurred £3,650 in avoidable expenditure

Financial year	Total avoidable costs £	Salary Overpayment £	Bank interest and charges £
2005-06	902		902
2006-07	802	259	543
2007-08	501		501
2008-09	465		465
2009-10	980	663	317
Total	3,650	922	2,728

Source: Bank statements, cashbook and payroll records

Audit fees

69. The fees charged for the statutory external audit are based on a fee scale published by the Auditor General. These fees are based upon the income and expenditure of the Council. The fee scale assumes that the Council presents its annual return on time and in accordance with the auditor's requirements.
70. Based on the Auditor General's fee scale, Mawr Community Council's audit fees for the period 2004-05 to 2009-10 would have totalled £1,675.
71. However, where an external auditor is required to undertake additional work in order to discharge their statutory responsibilities, the auditor is required to charge additional fees as appropriate.
72. The issues identified above have required a significant amount of additional audit work. I estimate that the additional audit fees for this work, including consideration of reporting in the public interest, amount to £6,850.

Total avoidable expenditure

73. The combined value of avoidable expenditure is £10,500.

Action already taken by the Council

74. It is important that the Council learns from these events. I understand that the Council has already taken or are planning to take actions to address each of the recommendations above, including
- the Council will appoint a member to liaise with the Clerk and Internal Auditor to ensure the accounting records are fit for purpose and are kept up to date;
 - salary and payments will be specifically approved at Council meetings following submission of a schedule of payments to the Council at each meeting;
 - the practice of the Clerk making payments from his own personal funds will cease;
 - written contracts of employment will be prepared for all employees of the Council;
 - financial reports will be presented to the Council on a quarterly basis;
 - all cheques will be signed by two members;
 - the Council will review the arrangements for internal audit with the internal auditor;
 - the Council will ensure that it complies with legal requirements when preparing its minutes; and
 - the Council will examine the arrangements for reclaiming VAT on fuel used by the Hall Committees.

Recommendations

75. My recommendations to the Council are:

R1	The Council should review the nature and quality of the accounting records and ensure that these are fit for purpose and are kept up to date and complete.
R2	The Council must end the current arrangements of the Clerk making salary payments to caretakers from his own finances and reclaiming the appropriate amount from the Council.
R3	The Council must ensure that it has proper arrangements in place for the payment of payroll, ensuring that all payments are approved by the Council and that there is a full audit trail for all salary payments.
R4	The Council should confirm the terms and conditions of employment of all staff including individual salary levels and dates when salary payments will be made.
R5	The Council should ensure that all wages and salary payments including PAYE payments to HM Revenue and Customs, are made on a regular basis and that no payments are made in advance of an employee's entitlement.

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| R6 | The Council should ensure that cheques or other orders for payment are only drawn up when an invoice has been received and the payment is authorised by the Council. |
| R7 | The Council should review the arrangements for reporting payments to the Council for approval and ensure that all payments made are reported. |
| R8 | The Council should establish arrangements to receive reports of detailed financial information setting out the Council's financial position on a regular basis. |
| R9 | The Council must ensure that it complies with the requirements of section 150(5) of the Local Government Act 1972 that all cheques are signed by a minimum of two members. |
| R10 | Members must ensure that they do not sign cheques that are not fully completed and supported by appropriate receipts or invoices. |
| R11 | The Council must establish arrangements for effective, independent internal audit in order to comply with the Accounts and Audit (Wales) Regulations. |
| R12 | The Council must ensure it complies with the legal requirements to maintain proper minutes of its proceedings. |
| R13 | The Council should review the arrangements for reclaiming VAT on fuel used by the hall committees and ensure that these arrangements have been formally approved by HM Revenue and Customs. |
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Next steps

76. The Council is now required by Section 25 of the Public Audit (Wales) Act 2004 to consider this report at a full meeting of the Council within one month of the date of this report. At the meeting the Council must decide:
- whether the report requires it to take any action;
 - whether the recommendations in the report are to be accepted; and
 - what action (if any) to take in response to the report and recommendations.



Anthony Barrett
Appointed Auditor

8 December 2011



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