

To Approve the appointment of the internal auditor for 2020/2021

Summary

It is a requirement for all authorities to submit their accounts to an auditor. Smaller authorities with a turnover below £25,000 can appoint their own internal auditor. The criteria is that they are “independent and competent”.

Background

Our previous internal auditor did not produce a full report or perform a full oversight of practices for the Council, they simply completed the necessary forms at the end of the year. A number of instances have come to light where best practice was not being followed and so a more robust audit is recommended going forward.

Legal

The Local Audit and Accountability Act 2014

Details

I have done some research around other local Parish Councils and have discovered that many of them have employed their internal auditor to perform very basic functions, little more than checking the maths. When we get to larger councils, such as town councils, their reports appear to be much more in depth.

I have found that both Cleator Moor Town Council and Cockermouth Town Council use the same internal auditor, a lady by the name of Georgina (Jean) Airey. Mrs Airey used to be the town clerk for Keswick Town Council until she retired a few years back and now concentrates on auditing; not only for town councils but also for parish councils, so is very experienced in this area.

For the avoidance of doubt, I do not know her personally, nor has she been recommended to me by a friend, acquaintance or any member of the Council.

Mrs Airey has offered the following brief summary:

I can advise that I was Town Clerk to Keswick Town Council for 25 years. I subsequently had a small parish of five villages for 3 years.

I am self employed. I audit many large and small Councils in Cumbria.

I have delivered Councillor; Clerk, Finance, General Power of Confidence, Code of Conduct Training for Cumbria Association of Local Councillors for the past 20 years.

I am also on the Assessment Panel for the Local Council Award Scheme.

Budget Implications

Mrs Airey charges more than the £70 in the budget. With the annual report and the half-yearly check, I expect the total to cost between £125 and £150.

Risk Management Implications

The risks associated with not having a thorough audit are high.

Recommendation

To approve Mrs Airey's appointment and send a letter outlining the term of appointment and our requirements.