

# STAUNTON ON WYE GROUP PARISH COUNCIL

2<sup>nd</sup> March 2026

## ANNUAL REVIEW OF EFFECTIVENESS

### 1. Introduction

The Council's Risk Management Policy, adopted in September 2025, states:

#### Annual Review of Effectiveness

On production of the Internal Auditor's annual report, the Parish Council will: Review the previous year and examine the Parish Council's track record on effectiveness on risk management and internal control to assess if any changes need to be made

- Consider the internal and external risk profile of the coming year, noting any new areas of risk, and consider whether current internal control arrangements are likely to be effective
- Evaluate the potential consequences to the Parish Council if an event that has been identified as a risk takes place and consider measures to avoid, reduce or control same
- Make recommendations to the Parish Council on its findings.

The Clerk met with the Finance Working Group (Councillors Boddington, Jones and Sellar) on 11 February 2026, and this report records the conclusions.

### 2. Internal Auditors Report

A copy of the 2024/25 internal auditors report was circulated last year. The recommendations are below, with the response which the Council is invited to agree:

AGAR Reference	Internal Auditors Recommendation	Response
A – Book-keeping	<ul style="list-style-type: none"><li>• Entries in cashbook should be matched against bank statement each month and supporting record/ documentation given reference number for ease of audit</li><li>• Meeting minutes should include outline of discussions and subsequent decisions made relating to income and expenditure to rationale is evidenced alongside financial records and budget statements for greater transparency and improved accountability</li><li>• Records of minutes and relevant supporting papers</li></ul>	<p>This is now done routinely.</p> <p>This is now done routinely.</p> <p>This is now done routinely.</p>

	<p>(e.g. budget statement) to be made available on the website as soon as possible after the relevant meeting</p> <ul style="list-style-type: none"> <li>• £7.19 owed to S Marsh estate should be refunded as soon as possible (this relates to the VoIP standing order)</li> </ul>	<p>The Clerk will write to the Estate of the late Councillor Marsh offering to make a refund, Councillor Boddington to provide contact details</p>
B – Payment Controls	<ul style="list-style-type: none"> <li>• VAT claim should be made as soon as possible to the end of the FY to which it relates</li> </ul>	<p>An in year claim has been made to ease cash flow. A claim will be made immediately after year end.</p>
C – Internal Controls & Risk	<ul style="list-style-type: none"> <li>• As advised for FY23/24, strongly recommend development of Risk Register (e.g. to consider the key strategic, operational, financial and legal risks) in order to inform discussion and decision making regarding budget planning and parish priorities</li> </ul>	<p>A risk management policy was adopted in September 2025 (Minute 2025/55), and a risk register agreed in March 2026 (Minute 2025/97). An annual review of effectiveness was completed in March 2026 (2025/98).</p>
D – Budget controls & reserves	<ul style="list-style-type: none"> <li>• Budget information to be include with minutes and financial records for information/ reference As recommended for last FY, a more detailed budget review could be undertaken showing total spend against budget at end of FY for transparency and to better inform planning/ prioritisation of expenditure and longer term financial decision making</li> </ul>	<p>To rectify minuted omission an in year budget for 2025/26 agreed (Minute 2025/33, 16<sup>th</sup> June 2025).</p> <p>Budget for 2026/27 agreed after Finance Working Group consideration December 2025 (Minute 2025/73).</p> <p>Reserves policy adopted September 2025 (Minute 2025/54) and level of reserves reviewed before precept set (Minute 2025/73)</p>
G – Payroll controls	<p>No recommendation on basis that no staff employed</p>	<p>Staff employed, contracts signed, HMRC position regularised, payroll services provider (Autela) acting on behalf of the Council. Payroll documentation provided by</p>

		Autela is circulated to councillors monthly.
H – Asset controls	Greater detail is required for assets on register (e.g. locations, date item added, depreciation rate, date of last valuation, etc). Recommend that this be developed during the coming year and made available at EOY for review and reconciliation to AGAR submission data.	A revised asset register is attached. This will require restatement of the figures in the 2024/25 AGAR.
I – Bank reconciliation	Arrange regular (e.g. monthly or quarterly) reconciliation of cash book records to bank statements. Whilst there are few transactions during the year and it is relatively low risk, had this approach been adopted, it would have identified where invoice and cashbook records do not match prior to external review.	This is now done routinely each quarter and is minuted. Each council meeting receives the cash book and reconciliation up to the date of the summons.
K – Exemption Criteria	<ul style="list-style-type: none"> <li>• Exemption certificate correctly declared (receipts and payments each totalled less than £25k)</li> <li>•</li> </ul> <p>Required information has not been published on website</p>	<p>See separate analysis below.</p> <p>This has been rectified.</p>
L – Website compliant and transparency code	Information required by the Transparency Code for Smaller Authorities has not been published in this period:	This has been rectified.
M – Public rights notice and dates	The “Public Notice” identifying the statutory 30 day period when the records are available for public inspection should be clearer on website/ noticeboards and in meeting minutes –	This has been rectified.

	this recommendation was made last year but has not yet been adopted	
N – Publication of previous AGAR	<ul style="list-style-type: none"> <li>The FY23/24 AGAR and Annual Governance Statement should be made available on the website urgently</li> </ul>	This has been rectified.

### 3. Restatement of Accounts 2024/25

The incorporation of the War Memorial Committee's turnover, omitted in the 2024/25 annual return, requires a restatement of the Council's payments and receipts.

The Council agreed the formation of the Committee on 29<sup>th</sup> April 2024.

*2024/25 Restatement:* Receipts to 31 March 2025 £31,650.96 and payments £1925.94.

The Council was therefore not permitted to exempt itself from external audit, having failed to meet the provision of The Local Audit (Smaller Authorities) Regulations 2015, regulation 9(2) that the higher of payments or receipts should be under £25,000. Accounts will need to be restated.

*2025/26:* The War Memorial account shows payments of £38,585.99 and receipts of £8,860.97.

The Council will therefore not be able to exempt itself from external audit because the higher of payments or receipts are above £25,000 as indicated by The Local Audit (Smaller Authorities) Regulations 2015, regulation 9(2).

Please note transfers to the Council's account have already been made totalling £5883.06 (1 December 2025) and £9.63 (10 January 2026) total 5892.69. These already appear in the Council's cash book. The War Memorial account is now closed.

### 4. Asset Register

The internal auditor identified failings in the asset register, including an annual revaluation which is contrary to local government practise. A study of AGAR returns reveals a variety of figures, and no asset register, except for 2025:

Year to 31 March 2018	£5701
Year to 31 March 2019	£29130
Year to 31 March 2020	£35000
Year to 31 March 2021	£34000
Year to 31 March 2022	£33000
Year to 31 March 2023	£32000
Year to 31 March 2024	£31000
Year to 31 March 2025	£36730

A copy of the 2024/25 asset register is attached.

A survey of all accounts paperwork since 2006 has resulted in the attached draft asset register. The Council will need to be sure that the assets listed remain in the Council's possession.

Members can perhaps clarify the dates of acquisition of some items.

The Council will be invited to resolve that the asset register will include items at the original purchase price.

The draft revised asset register shows a total of £18,445.10 at 31 March 2025 and

This will require a restatement of the 2024-25 AGAR figures.

The draft revised asset register shows a total of £22720.10 at 31 March 2026.

## **5. Risks: Identification**

The Council will be invited this evening to consider the risk register.

The Finance Working Group identified two other areas which deserve more particular consideration in the coming year:

**Insurance:** the council's policy has not been reviewed recently and may no longer be suitable, given the increase in lengthsman activities. A review to be conducted.

**Planning Control:** improved analysis of applications and policy consequences required. See separate item on this evening's agenda.

*David Thame  
Clerk/Responsible Financial Officer  
25<sup>th</sup> February 2026*