

8. Internal Audit Report

Haines Watts

**ROYSTON TOWN COUNCIL INTERNAL
FINAL AUDIT REPORT FOR THE
PERIOD ENDED 31 MARCH 2023**
Conducted 22nd May 2023

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AUDIT REPORT FOR THE YEAR ENDED
31 MARCH 2023**

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31 MARCH 2023**

Introduction

The internal audit was carried out on 22nd May 2023. The audit was conducted at the offices of the council.

Summary of Work Completed

The work completed is identified in the following table below:

AREA OF WORK	WORK COMPLETED
Bank and Cash Reconciliations	<ul style="list-style-type: none">a) Bank reconciliations were reviewed and agreed each month to ensure that controls were working effectively throughout the period.b) The reconciliation for the period to 31/03/2023 was verified to the accounting data as entered to SAGE software.c) Cash reconciliations were reviewed to the period up to 31/03/2023
VAT Returns	<ul style="list-style-type: none">a) VAT returns for the year were reviewed and the debtor as at 31/03/2023 was verified to the trial balance as at that date.
Risk Assessments	<ul style="list-style-type: none">a) The council's risk assessments were reviewed to ensure that due consideration has been given to identify the key and significant risks.a) To ensure that sufficient safeguards and controls are in place to mitigate identified risks.
Fixed Asset Register	<ul style="list-style-type: none">a) The fixed asset register was reviewed to ensure that assets owned by the council are correctly recorded.
Minutes of Meetings	<ul style="list-style-type: none">a) The minutes of meetings since the last internal audit were reviewed and any relevant information was noted.
Review of Trial Balance	<ul style="list-style-type: none">a) The trial balance was reviewed for reasonablenessb) The trial balance was confirmed to the accounts and annual return respectively to ensure financial results agree to source material.
Insurance	<ul style="list-style-type: none">a) A review of insurance policies was conducted to ensure that sufficient cover is in place and is reasonable.

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Payroll	a) Payroll was verified to the annual return and calculations for PAYE, National Insurance and Pension contributions were checked.
Borrowings	a) The PWLB lending facility was agreed to the annual return and supporting loan statement

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Results

The work completed is identified in the following table below:

AREA OF WORK	OBSERVATIONS/POINTS
Bank and cash Reconciliations	Bank and reconciliations were reviewed and confirmed to be done on a monthly basis with due care and attention. Bank balances were confirmed to statements as at 31 March 2023.
VAT Returns	The balance as at 31/03/2023 was reconciled to the financial statements. No further observations were made.
Risk Assessments	The Council's risk assessments were confirmed to be reasonable and safeguards are considered to be appropriate and reasonably implemented.
Fixed Asset Register	The fixed asset register looks to be maintained with assets owned by the Parish Council.
Minutes of Meetings	Minutes were reviewed and no pertinent issues were identified for the period under review.
Insurance	Documentation was reviewed and is expected to be sufficient to cover the requirements of the Council.
Other Observations	No additional comments.

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Conclusion

In our opinion the Council is keeping their books and records in order and is following internal control procedures that have been established.


A Di Lorenzo FCA
Partner

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9. Accounts 2022-2023

Royston Town Council		
Income and Expenditure Account - Year End Accounts 31 March 2023		
31-Mar-22	INCOME	31-Mar-23
331,468.72	Precept	345,132.55
11,179.28	CTRS Grant	11,133.45
15,574.17	Agency	18,858.00
132.62	Interest received	3,241.00
21,446.90	Town Hall lettings	20,733.84
9,248.49	Market Hill Rooms lettings	12,439.30
812.75	Priory Rooms lettings	1,965.00
- 162.41	Discounts Allowed (Lettings)	- 268.30
325.36	Museum sales, Exhibition Commission & Friends shop sales	36.90
2,572.49	Grants & Donations for Museum	
855.60	Blue plaques	-
6,341.61	Allotments rents & electric/water reimbursements	7,764.02
15,580.00	30 Kneesworth Street	4,152.50
6,544.88	Royston Cave	15,748.79
91,692.43	Miscellaneous income (grants/donations etc.)	14,753.96
2,635.00	Royston May Fayre	3,865.00
500.00	War memorial account	500.00
14,386.16	Royston First/Cinema	21,251.58
65,399.98	Market Place	67,381.24
596,534.03		548,688.83
- 359.88	Increase / Decrease in Stock	- 138.46
596,174.15	Total Income	548,550.37

Royston Town Council		
Income and Expenditure Account - Year End Accounts 31 March 2023		
31-Mar-22	EXPENDITURE	31-Mar-23
147,226.87	General Administration	210,975.43
19,772.08	Agency	21,757.39
76,536.12	Town Hall	41,462.38
16,862.34	Market Hill Rooms	18,247.14
6,067.00	Priory Rooms/Annexe	7,206.00
99,555.82	Museum	127,151.93
1,200.00	Public Toilets	2,572.00
4,567.36	Allotments	3,129.01
20,015.29	Royston Cave	15,683.01
330.00	30 Kneesworth Street	5,613.00
1,010.00	War Memorial	1,013.00
1,600.36	Civic	3,104.36
14,929.96	Plantations	10,141.57
420.69	May Fayre	5,250.80
855.60	Blue Plaques	0.00
1,855.00	Donations	2,000.00
14,004.00	Christmas Lights	21,937.24
5,182.13	Royston First/Cinema	2,807.28
57,171.73	Market Place	57,123.07
22,111.79	Miscellaneous expenditure & Mispostings	18,705.94
0.00	Other bank accounts (War Memorial)	0.00
511,274.14	Total Expenditure	575,880.55

15. Allotments on the proposed new development at Land off Barkway Road and North of Flint Hall, Royston

In April 2023, Royston Town Council was approached by the Senior Planning Officer at North Herts Council asking whether the council would be willing to manage the proposed allotments for the site at Land Off Barkway Road and North of Flint Hall, in the event that planning permission were to be granted for the site.

The officer also asked “If the Town Council decides they wish to take responsibility for the allotments, it would be useful to have any specific requirements that they would be seeking from the developer and I can begin negotiations with them.”

The masterplan identified a site of 0.2 hectares for the allotments. The Town Council’s current site at Green Street is 1.75 hectares.

The new site would only accommodate about 15 half size plots which equate to 5 poles each. I contacted the District Council to enquire whether the developer would consider allocating a larger area for allotments and the following answer was received –

“The Council’s Green Space officer has agreed that additional allotment provision could be increased from 0.2ha to 0.4ha given the acute demand for allotments in the town. This will mean some minor adjustment to the other open space layout but as there is a general over provision this is not problematical from our point of view. The applicant has agreed to this change and this will be confirmed in a minor adjustment to the masterplan. Also, they have confirmed that a water supply would be provided as part of the initial works. The Council’s Green Space officer has previously confirmed that allotments are generally self-sufficient with rent covering maintenance costs. In the circumstances, it would not be reasonable to request a commuted sum for maintenance.”

About 18 months ago the Town Council was investigating the possibility of allotments on another site in Royston and therefore has knowledge of the requirements when setting up a new site. These can be quite costly.

As the developer is unlikely to provide a commuted sum for maintenance, all costs would then fall to the Town Council. Rents would cover some of the ongoing costs but they would not provide any funding for other essential items.

Officers recommend that, as well as providing a water supply to the site, the following items should be provided if the council were to take over management of the site –

1. Secure perimeter fence with a lockable gate and access wide enough to allow deliveries of skips and other items
2. A hedge planted around the fence for weather protection and to promote wildlife and biodiversity
3. Small tool shed per plot
4. Water butt for each plot
5. Top soil for all plots
6. Site shed large enough for shared tools e.g. mower and strimmer
7. Composting toilet
8. Two accessible plots with raised beds near to the entrance

Members should note that Royston Town Council has recently raised a **STRONG OBJECTION** to granting planning permission on this site. Discussions about management of the allotments on this site do not prejudice its position.

The Town Council has a long waiting list and has actively been seeking a new site for several years.

Attached is further information about providing allotments on new developments.

1. Members are to RESOLVE whether or not the Town Council should agree to manage the proposed allotment site on the proposed new development at Land off Barkway Road and North of Flint Hall, Royston, should planning permission be granted.
2. Should Members agree to take on management of the site, Members are to RESOLVE to agree the specific requirements to be provided by the developer

Caroline Mills

Town Clerk to Royston Town Council

June 2023