

## Section 3 - External Auditor Report and Certificate 2020/21

In respect of

Chalgrove Parish Council

### 1 Respective responsibilities of the body and the auditor

Our responsibility as auditors to complete a **limited assurance review** is set out by the National Audit Office (NAO). A limited assurance review is **not a full statutory audit**, it does not constitute an audit carried out in accordance with International Standards on Auditing (UK & Ireland) and hence it does not provide the same level of assurance that such an audit would. The UK Government has determined that a lower level of assurance than that provided by a full statutory audit is appropriate for those local public bodies with the lowest levels of spending.

Under a limited assurance review, the auditor is responsible for reviewing Sections 1 and 2 of the Annual Governance and Accountability Return in accordance with NAO Auditor Guidance Note 02 (AGN 02) as issued by the NAO on behalf of the Comptroller and Auditor General. AGN 02 is available from the NAO website – <https://www.nao.org.uk/code-audit-practice/guidance-and-information-for-auditors/>.

This authority is responsible for ensuring that its financial management is adequate and effective and that it has a sound system of internal control. The authority prepares an Annual Governance and Accountability Return in accordance with *Proper Practices* which:

- summarises the accounting records for the year ended 31 March 2021; and
- confirms and provides assurance on those matters that are relevant to our duties and responsibilities as external auditors

### 2 External auditor report 2020/21

Except for the matters reported below on the basis of our review of Sections 1 and 2 of the Annual Governance and Accountability Return, in our opinion the information in Sections 1 and 2 of the Annual Governance and Accountability Return is in accordance with the *Proper Practices* and no other matters have come to our attention giving cause for concern that relevant legislation and regulatory requirements have not been met.

The council approved the final accounting statements after 30 June which does not comply with the Accounts and Audit Regulations 2015

The inspection period for the exercise of electors' rights does not include the first ten working days of July as specified in the Accounts and Audit Regulations.

We reported in the prior year in relation to the Notice of Public Rights not being properly raised. As the Notice of Public Rights for the 2020 year end was during the 2021 financial year, the Council should have answered 'No' to assertion 4 on Section 1 of the AGAR. As further public rights breaches have taken place in 2021 the Council should also have answered 'No' to assertion 7 of Section 1.

The Council has confirmed Standing Orders, Financial Regulations and the Code of Conduct have not been reviewed for some time. We recommended these were done in our 2020 External Audit Report although this was not published until after the year end - the Council has explained they were unaware of the requirement to review these documents on a regular basis and had sought confirmation from the Oxfordshire Association of Local Councils who suggested there was no requirement to perform a review of these documents.

Standing Orders and Financial Regulations are required to be reviewed by JPAG's Practitioners Guide of proper practices. Section 1.14 states: 'The authority needs to have in place standing orders and financial regulations governing how it operates. Financial regulations need to incorporate provisions for securing competition and regulating the manner in which tenders are invited. These need to be regularly reviewed, fit for purpose, and adhered to.'

The Localism Act 2011 requires an authority to have a Code of Conduct in place and has specific requirements in place for what this should include. Although we are aware many authorities adopt the model Code and only revise this when the model template is itself updated, this does not automatically make the Code fit for purpose for every Council. As it is a legal requirement to have a functional code in place, it follows that the model template should be reviewed on adoption to ensure that it fits with the activities of this specific Council and furthermore should be reviewed periodically to ensure changes have not made to activities that may require to be reflected in the adopted Code. The review should be carried out even if it is simply confirming no changes are required. The JPAG guide also states in Section 1.24: 'Procedures need to be in place to ensure that an authority's compliance with statutory regulations and applicable proper practices is regularly reviewed and that new requirements, or changes to existing ones, are reported to members and applied'.

It is the Council's responsibility to remain up to date with regulations and proper practices. Failure to perform these reviews in the year suggest a 'No' answer should have been given to Box 3 of Section 1 of the AGAR.

The Council has confirmed that these areas will be reviewed during the 2021/22 financial year.


Other matters not affecting our opinion which we draw to the attention of the authority:

Due to the public rights breaches noted from the prior year, we would have expected the Internal Auditor to have answered 'No' to question M of the Annual Internal Audit Report rather than the 'Yes' answer given.

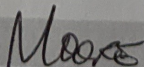
### 3 External auditor certificate 2020/21

We certify that we have completed our review of Sections 1 and 2 of the Annual Governance and Accountability Return, and discharged our responsibilities under the Local Audit and Accountability Act 2014, for the year ended 31 March 2021.

External Auditor Name

 MOORE

External Auditor Signature



Date

25/09/2021