

29. REVIEW OF INTERNAL AUDIT EFFECTIVENESS

Committee reviewed the arrangements for and effectiveness of, Council's internal audit.

Committee noted that SALC-appointed auditors are not the only option for local councils. Members noted that the audit for 2019/20 would be carried out by Mrs V Waples a different auditor from SALC, but it was likely that Mr C Poole would be able to carry out the half year and final year audit for 2020/21.

The Deputy Clerk advised that the cost of the SALC internal audit had increased considerably and Members requested that a report of other internal audit options be brought to committee before the next annual review.

It was RESOLVED that:

- i. it be recommended to Council that, having reviewed the effectiveness of its internal audit, it be recorded that Council considers the arrangements to be effective;**
- ii. it be recommended to Council that, in being satisfied of the independence and competence of its internal auditor, both Mr Colin Poole and Mrs Vicky Waples of the Suffolk Association of Local Councils, be appointed to continue as the Council's internal auditors, undertaking a half-yearly and year-end audit on the basis of paras 4.14-4.17 of the "Governance and Accountability for Local Councils – a Practitioner's Guide 2019"; and,**
- iii. a report considering other options for internal audit be brought to Committee before the next annual review.**

30. BUDGET MONITORING TO 30 APRIL 2020

Committee received the budget monitoring report to 30 April 2020. A report of any variance to budget estimates for the period greater than 10% or £500 was considered.

It was RESOLVED that the budget monitoring report to 30 April 2020 be approved, with no other action required at this time.

31. FINANCIAL IMPACT OF CORONAVIRUS

Financial information including graphs were shown to illustrate losses in income revenue and decreased costs in outgoing expenditure due to the closure of the Town Hall and Walton Community Hall, ascribed to by the onset effects of the Covid-19 lockdown. A 2.4% loss of overall income would be suffered if normality returns in July, compared to a 5.1% loss of overall income if the pandemic continues throughout the year. In financial figures this would equate to a net loss of between £17,359 (3 months) to £32,569 (full year of lockdown). It was noted that £11,299 invoiced for weddings would be subject to them being

rearranged or otherwise able to take place later in the year or next year. Committee noted that the 2020 Felixstowe in Flower event will be carried over to 2021/22. Cemetery income had remained consistent with previous years, with an anticipated increase to the frequency of urn interments and memorials at such a time when restrictions allowed more family members to attend.

Members reviewed the financial impact of the Coronavirus and agreed that the 2020/21 budget should not be revised at this time. However, the impact would continue to be monitored as the year progresses and more information is known.

It was RESOLVED that the financial impact of the coronavirus on Council's finances be noted, with no other action required at this time.

32. QUARTERLY BANK RECONCILIATION

Committee noted that Cllr D Savage had seen and signed to confirm bank reconciliation with the bank statements for the third quarter 1 October to 31 December. Due to the Coronavirus, the Deputy Town Clerk confirmed that she had emailed Cllr D Savage copies of the bank statement and monthly bank reconciliations for the period 1 January to 31 March which Cllr Savage had agreed and the documents would be signed off once Cllr Savage was no longer shielding due to Covid-19.

It was RESOLVED to note that the quarterly bank reconciliation between for the period 1 October 2019 – 31 March 2020 had been carried out by Cllr D Savage.

33. STATEMENT OF INTERNAL CONTROL 2020/21

Committee noted the requirement of the Accounts and Audit Regulations 2015 for Council to ensure that it has a sound system of internal control. It was noted that, other than non-material updates, no changes were proposed to the Council's Statement of Internal Control from the previous year. Following consideration of the Council's policy and internal control statement document it was proposed that it be recommended to Council for approval and adoption with no further changes.

It was RESOLVED that the Internal Control Statement for the year ending 31 March 2021 be recommended to Council for formal adoption as presented.

34. CYBER RISK INSURANCE

Committee considered adopting a Cyber Risk Insurance policy from Zurich, which protects organisations from malware, ransomware, personal data breaches, and other cyber-borne malevolence. At a cost of £308, this would be taken out of Council's insurance and IT Maintenance & Software budgets.

It was RESOLVED that a Cyber Risk Insurance policy would be taken out with Zurich.

35. IT SYSTEMS AND SUPPORT

Committee considered the details of upgrading IT equipment for members of staff, to include 6 Dell laptops and docking stations and acknowledged the indicative costs due to being accepted on Dell's government framework, as used by East Suffolk Council. Committee agreed that the upgrade would bring improved convenience and efficiency for the administrative staff.

Committee also considered the principle of providing IT equipment and support for Members to carry out Town Council related business. The Town Clerk confirmed that Council's current IT support provide may be able to offer support to Members if required.

Members discussed the need for enhancing digital conferencing services at the Town Hall in the future to enable remote participation at meetings by Councillors or members of the public and improve facilities for external hirers.

Committee agreed that, subject to approval by Council, a sum could be transferred from the General Fund Reserves to the IT Earmarked Reserve to enable a wholesale upgrade to Council's IT and digital conferencing capabilities over time. It was agreed that £40,000 would allow Committee to oversee a phased upgrade for staff, Members and the Town Hall. The Clerk was asked to survey all Town Councillors so that Committee would be able to understand the level of hardware, software and support that may be required.

It was RESOLVED that Council be recommended to:

- i. transfer £40,000 from the General Fund into the IT Earmarked Reserve to enable Council to upgrade its IT provision;**
- ii. approve expenditure of up to £8,000 from the IT Earmarked Reserve for the purchase of business IT equipment for staff on the Dell government framework; and,**
- iii. delegate authority to the Finance & Governance Committee to commit expenditure from the IT Earmarked Reserve for the purposes of upgrading Council's IT hardware, software, and support.**

36. CLOSURE

The meeting was closed at 9.27pm. The next meeting was noted as being scheduled for Wednesday 15 July 2020 at 7.30pm.

Date: _____

Chairman: _____