

**10. INTERNAL AUDITOR to note the Internal Auditors notification of a change of circumstances. To agree the Council seek an alternative Internal Auditor for the current and next financial year. Should the timetabling of the tendering process not fit a Council or Finance Committee meeting, to approve delegation to the Town Clerk and Mayor the authority to consider the tenders and appoint a new Internal Auditor.**

Background – the Council has been contacted by the contractor currently providing our Internal Auditor service. Due to serious health issues' they are not able to continue. The Council has a need to secure an alternative Internal Auditor for the current 2016/2017 financial year.

Role of Internal Auditor Internal Auditors' scrutinise all procedures to manage risk and ensure that the Council is compliant with the requirements of the Accounts and Audit Regulations 2015 and the Council's own Financial Regulations 2015. The Internal Auditor cannot be a member of the Council or of the Council staff. They must be completely independent of the Council. The Internal Auditor is appointed annually. A contract might be a multi-annual period. The annual budget for the Internal Auditor function is presently £1,000.

Cornwall Association of Local Councils (C.A.L.C.) had previously indicated that there was in any case a lack of suitable Internal Auditor contractors within the Cornwall area. Furthermore, the contractor currently used by Liskeard Town Council was also used by other Town and Parish Councils. The issue is that numbers of Councils are now looking at the same time coming to the end of a financial year for contractors that were acknowledged as being in short supply in any case. C.A.L.C. have indicated that they are considering options and will send out any thoughts in the week commencing Monday 16<sup>th</sup> January 2017.

Specification and Tender Process Currently, potential Specifications are being considered. In addition, the issues of tendering and reporting and acceptance of tenders presents issues. Options for accepting of the tenders could be:

- Council or Finance Committee meeting that is already scheduled.
- Special Council meeting – called when timings are clearer.
- Delegation of Authority to accept to Town Clerk in conjunction with the Mayor.

Given the difficulty of appointing an Internal Auditor for the current year, it might prove more attractive to a potential contractor to offer a two-year contract.

**RECOMMENDATIONS: That the Council seeks an alternative Internal Auditor for the current financial year and next financial year. That the Council agree (to hold a special Council meeting and/or delegate to the Town Clerk and Mayor) consideration and acceptance of tenders.**

## **11. LOCAL COUNCIL AWARD SCHEME (L.C.A.S.) – to receive an update on meeting the requirements of the Foundation Award level of the Local Council Award Scheme.**

Background – The L.C.A.S. was launched to replace the former Quality Council scheme. Previously, the Finance Committee had recommended to Council that the Council undertake the necessary works to achieve “Foundation” status within the current 2013 – 2017 administration. The Council has updated its systems and procedures and placed them on the website.

C.A.L.C. conducts the assessment of those Town Councils in Cornwall that apply for the L.C.A.S. C.A.L.C. will assess if the Council’s website and supporting information are to the necessary standards. C.A.L.C. have been contacted to confirm the Council’s intention to apply for a “Foundation” Award level. They have suggested that as the Council is likely to attain a “Foundation” it might wish to complete the information requirements of a “Quality” Council. To meet Quality Council Award level further information will need to be added. Some of those key items would be:

Councillor Profiles - Photo – to add a photo to each Councillor profile on the website (currently the website carries a Councillor name, address and ward represented. This could well be a repeat of the photos used in the original 2013 Town Crier)

Annual Meeting – Evidence of how electors contribute.

Annual Report – This would be on the website, as well as being printed and distributed to various locations across the Community. (It does not need to be delivered to individual households.)

The Committee is asked to consider for which award level the Council should apply.

**RECOMMENDATION: That the Council confirms that all the documentation and information is in place to apply for FOUNDATION or QUALITY level.**

## **12. FINANCIAL RISK MANAGEMENT – to receive and approve the new format Financial Risk Management schedule. (see attached document)**

Background – The Council has recently updated its Financial Regulations, Statement of Internal Control, Grants Policy and Investment Strategy. On the advice of Grant Thornton the adoption of the latest practice regarding Financial Risk Assessment as part of a wider framework of Financial and Risk Management is recommended.

**RECOMMENDATION: That the Council adopt the Financial Risk Assessment.**