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29 May, 2025

The Town Clerk

Weymouth Town Council

Council Offices

Commercial Road

Weymouth

Dorset

DT4 8NG

Dear Jane

Final Internal Audit Report

Weymouth Town Council – April 2024 – March 2025

The Accounts and Audit (England) Regulations 2015 (as amended) require all Town and Parish Councils to undertake an effective internal audit to evaluate the effectiveness of their risk management, control and governance processes, taking into account public sector internal auditing standards or guidance.

We confirm that we are independent of the Council.

The internal audit work to be carried out has been planned to enable us to give our opinion on the control objectives set out in the Annual Internal Auditor's Report on the 2024-2025 Annual Governance and Accountability Return (AGAR).

We have complied with the legal requirements and proper practices set out in:

- 'Governance and Accountability for Local Councils – A Practitioners' Guide (England)' 2024
- The Accounts and Audit (England) Regulations 2015 (as amended).

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Background

Weymouth Town Council had income and expenditure in 2023-2024 of between £5,000,000 and £6,000,000 and is subject to review by the External Auditor, BDO.

The completed Annual Accountability and Governance Return 2023-2024 conclusion notice, and certificate was returned on 14 August 2024.

The Council had a clean annual report from the external auditor for 2023-2024.

The Council is not a sole managing trustee.

It is good practice for the Council to comply with the Local Government Transparency Code 2015.

The Council's accounting records are maintained on Access Software

A first interim visit was arranged with the Deputy Town Clerk on Thursday 19 December 2025. A meeting was held to discuss the progress that has been made by the Town Council in 2024-2025 and to confirm the internal audit testing to be carried out. Compliance and substantive testing of records was undertaken on the day.

A final internal audit review was agreed to be carried with the Deputy Town Clerk on Tuesday 27 May 2025.

Further confirmation has been obtained of good practice and compliance with the Transparency Code Regulation 2015 from the Council's Website.

We are also using the information already recorded from the interim visit to complete the internal control objectives on the (AGAR) Internal Audit Report.

Where this is necessary, we will complete the AGAR Annual Internal Audit Report based on evidence already seen from the previous review. This is acceptable practice for the External Auditor.

We continue to report that the Town Clerk provides clear legislative and regulatory requirements for the Town Council.

We recognise the complexities of running such a large Town Council with a budget over £5m to ensure compliance for all areas of Governance and Financial Management. We also recognise the contribution made from the Deputy Town Clerk to ensure the financial stability of the Town Council remains sound.

We have continued to note that the Deputy Town Clerk remains aware of the need to consider the most appropriate time for long term investment of the Town Council funds. We remain happy that he will ensure to secure preferential rates of return but also to ensure the financial security for the Town Council.

(Audit Note: The Deputy Town Clerk will continue to check the financial markets during 2025-2026 but only consider long term investments when it is felt most appropriate).

We have further noted that the Town Council's decision to cease the continuation of resourcing and delivery of the cafes on the sea front in favour of providing leases, so these are now outsourced to their party providers. The administration and resourcing implications for running the cafes in house has allowed the Town Council to reallocate resources which would have been used if the cafes were still in operation.

Internal audit checks

We have undertaken a series of audit tests on the Council's financial records, vouchers, documents, Minutes, policies, procedures, and insurance documentation to ascertain the efficiency and effectiveness of the Town Council's internal control framework. This internal audit report is based on the audit testing carried out at the visit.

During the visits in the year, we checked, and sample tested the following:

- Minutes of Council and Committee Meetings
- Policies and Procedures
- Bank and cash
- Investments
- Petty Cash
- Budgetary Management
- Income and Expenditure
- Contract and Lease Arrangements
- Insurance
- Payroll
- VAT claims
- Financial Risk Assessment
- Transparency of the Council website

Findings

Details of good practice noted, our recommendations and other matters to be brought to the Council's attention are set out below.

Good practice

- The Council maintain its books and records on Access software.
- The Council are aware of the requirements of GDPR.
- The Town Clerk is CiLCA qualified.
- The Council is registered with the ICO.
- Details of total payments authorised at meetings are recorded in the Minutes.
- All records were up to date and easy to follow.
- The budgeting process is monitored throughout the year.
- Petty Cash vouchers are confirmed, agreed and approved before reimbursement is made.
- Cash balances were confirmed as accurate.
- The Council complied with Financial Regulations to obtain quotations from suppliers and contractors where appropriate.
- Bank reconciliations are carried out promptly each month and were accurate.
- The Council takes an active scrutiny role.
- VAT claims are made regularly.
- Contracts of employment were signed by both employee and employer.
- Leaver details confirmed that no further salary is paid after the date of termination.
- Payroll information is calculated correctly, with appropriate deductions for PAYE, NI and Pension Contributions
- Councillors Allowances are paid at the appropriate rate.
- The Insurance is appropriate for the size of the Council. Fidelity Guarantee is set at £5m.
- The Risks of Council have been reviewed and approved for 2024-2025.

- The Assets of the Council have been reviewed and approved for 2024-2025.
- All income records are appropriate and recorded correctly.
- All expenditure items could be traced and are recorded correctly in the financial ledger.
- The requirements of the Transparency Code Regulation 2015 are followed by the Town Council.

Matters of note brought to the Council's attention from the two visits to the Town Council.

Budgets 2024-2025

- It is noted that there was an underspending of £367,942 in 2023-2024 carried forward in 2024-2025.
- We noted the reduction of Deck Chairs income and discussed the reasons why this occurred. It is noted that the budget for 2024-2025 has now been adjusted.

Budget 2025/2026

- The full Town Council have agreed an increase the Precept 2025-2026 at their meeting held on Wednesday 18 December 2024. The Precept for 2025-2026 is £3,899,150.00.
- The staffing budget was agreed by the HR Committee prior to the work of the Budget Working Group being undertaken and recommendations made to the Finance and Governance Committee for inclusion in the 2025-2026 overall budget..

Investments

- We agreed that a future investment strategy for the Town Council should be considered whereby the investment return can provide a positive income stream for the Town Council.
- We acknowledge the opportunities for returns on investments for the Town Council should continue to be reviewed but only when the markets are right will there be any change to the current investment portfolio.

Financial Risk Assessment

- The corporate risk register was taken to the Finance and Governance Committee on 12 February 2025 including a risk management update.
- This was reviewed and approved by the full Town Council on the 26 February 2025.

Asset Register

- The Draft Asset Register was taken to the Finance and Governance Committee on 12 February 2025
- This was reviewed and approved by the full Town Council on the 26 February 2025.

Insurance

- The External Auditor requires Insurance details had been recorded in the minutes of the full Town Council to approve that it remained fit for purpose.
- We are pleased to report that the Insurance proposal for 2025-2026 was considered in February Finance and Governance 12 February 2025 and Full Council on 26 February 2025.

Tumbledown

- It is noted that the Town Council have agreed to opt to Tax at their meeting on 31 July 2024. All outstanding payments have been made to contractors and the Town Council have introduced opt to tax now the work has been completed.

Electric Charging Points.

- We have confirmed with the Deputy Town Council that the Town Council approval to install Vehicle Electric Charging Points has been implemented and is now fully operational on the sea front.

Practitioners Guide 2025

- New requirements to be introduced into the Practitioners Guide 2025 and applied from April 2025 require all Council to introduce an IT Policy. ***(Audit Note: We have discussed this with the Deputy Town Clerk and would recommend that this is introduced in line with the new requirements shown in the Practitioners Guide 2025 paragraph 5.122 during 2025-2026).***

We discussed and reaffirmed:

- The changes to adhere to the requirements set out in the website accessibility regulation Act 2018. The Town Council website should meet the new WCAG 2.2 AA standard for website accessibility. ***(Audit Note: The Deputy Town Clerk has confirmed that appropriate action has now been taken to ensure compliance with the new requirements of the regulations).***
- The External Auditor has indicated for 2024-2025 that it is best practice that an Authority's should review and approve the following in each financial year:
 - the appointment or continuing appointment of the Internal Auditor.
 - that the Internal Auditor is independent of the Council.
 - the effectiveness of the Internal Audit.

(Audit Note: We note that the continuing appointment and independence of the internal auditor has been carried out for 2024-2025 shown in the Minutes of the Town Council).

We remind the Town Council that:

- using the Income and Expenditure method of recording any CiL or S106 monies not used in the financial year should be recorded in Earmarked Reserves.
- the Insurance renewal details should be reviewed and recorded in your minutes of the Council or Committee in each financial year, even if you are locked in a three-year agreement.

End of Year Procedures 2024-2025

A full check was carried out on the End of Year documentation provided by the Deputy Town Clerk and Responsible Financial Officer to confirm the accuracy of the details to be submitted to the External Auditor. This also included the validation of any variances of totals over 15% between 2023-2024 and 2024-2025 shown on Section 2 of the AGAR as required by the External Auditor.

The 2024-2025 AGAR Internal Audit Report requires the Internal Auditor to check the Council has correctly provided the proper opportunity for the Exercise of Public Rights in accordance with the requirements of the Accounts and Audit Regulations 2024.

This includes the Internal Auditor being shown evidence that the posting of the Notice on the website was done at least one clear day before the 30-working day period begins.

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(Audit Note; We are pleased to report that the Town Council have displayed the Notice correctly to comply with the requirements of the Accounts and Audit Regulations 2015).

The Annual Internal Audit Report to be submitted to the External Auditor was completed and signed by Tim Light.

Assurance statement

- In our opinion, which is based on the evidence obtained, we can **give assurance** that the internal control systems to manage the risks identified enable the objectives to be achieved as there is proper practice in the areas tested:

It is considered that there is an **appropriate** framework of control in place to manage the risks identified.

Next Steps

This report should be noted and taken to the next meeting of the Town Council.

Finally

As this is my last internal audit review for the Town Council before handing over to a new Internal Auditor for 2025-2026, I should like to take the opportunity to thank you for your help and support in the time that I have provided the Internal Audit Service to the Town Council.

I wish the Town Council well for the future.

Tim Light FMAAT, AATQB
Internal auditor