

Section 1 – Annual Governance Statement 2021/22

As you will see I have suggested a response on the Statement as a negative.

Section 5 – Risk – No

- *“We carried out an assessment of the risks facing this authority and took appropriate steps to manage those risks, including the introduction of internal controls and/or external insurance cover where required.”*

Yes means that this Authority:

- *“Considered and documented the financial and other risks it faces and dealt with them properly.”*

If the Authority responds as No on this item – we are required to provide explanations to the External Auditor on a separate sheet and describe how the authority will address the weaknesses identified.

As part of our Internal Audit last year it was identified that there had been non-compliance in respect of this as there had been no minuted reference to risk, however Councillors had felt that they had been made aware of any risks they faced as Charter Trustees and this is as per the Minutes;

“The discussion on risks to the Charter Trustees had felt to be considered but this would need to be formally recorded in a Risk Register.”

Our External Auditor recognised that in the 20/21 Final Report and Certificate

“The smaller authority has confirmed that it has not complied with the governance assertion in Section 1, Box 5, but it has provided the appointed auditor with an adequate explanation for non-compliance and details of the actions necessary to address weaknesses identified. The internal auditor has drawn attention to the same matter in the annual internal audit report and their detailed report.”

There were a number of other observations identified in the Internal Audit, some of which have been addressed e.g. approving a budget before the precept, and some of which have proved more difficult to address, because of the relationship between the District Council and Charter Trustees who are not a Parish/Town Council but charged with continuing the historic Mayoralty. Officer capacity this year has also been prioritised to the delivery of the Community Governance Review for Taunton Project.

It is **recommended**;

- a) That a Draft Action Plan and Draft Risk Register is circulated to the Charter Trustees and then taken to a Special Meeting of the Charter Trustees in July 2022 to ensure compliance for the 2022/23 Municipal Year.

M. Prouse – Specialist – 13/06/22