



The Members of Poulshot Parish Council

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**Poulshot Parish Council: Recommendations under section 27(6) of The Local Audit and Accountability Act 2014 (the Act):  
Governance weaknesses in relation to the Annual Governance & Accountability Returns (AGAR) for the years ending 31 March 2020 and 31 March 2021**

Dear Members

The Local Audit and Accountability Act 2014 (the Act) requires that the accounts of smaller authorities are made up each year to 31 March and then reviewed by the appointed auditor, unless the smaller authority meets the eligibility criteria set out in Regulation 9(3) of the Local Audit (Smaller Authorities) Regulations 2015 and wishes to certify exemption.

We are the appointed auditors to Poulshot Parish Council (PPC or the Council) for the years ending 31 March 2018 to 31 March 2022. PPC met the criteria to claim exemption for the years ending 31 March 2020 and 31 March 2021 and submitted an exemption certificate to us in respect of each reporting year. Accordingly, we have not performed a limited assurance review of PPC's AGARs for either year.

Information has been brought to our attention about PPC for those years however, and as a result of that information we are raising the following recommendations under section 27(6) of the Act. Recommendations under this section of the Act do not place any statutory requirements on the Council in terms of considering or responding to the recommendations; however, it would demonstrate good governance if PPC considers taking action in respect of the recommendations listed below.

**Recommendations:**

1. It is recommended that the Council responds 'No' to Assertion 4 of the 2021/22 Annual Governance Statement. The smaller authority did not comply with Regulation 15 of the Accounts and Audit Regulations 2015 as it failed to make proper provision during the year 2021/22 for the exercise of public rights, since the period for the exercise of public rights did not include the first 10 working days of July. As a result, the smaller authority must answer 'No' to

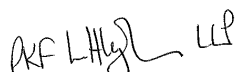
Assertion 4 of the Annual Governance Statement for 2021/22 and ensure that it makes proper provision for the exercise of public rights during 2022/23.

2. It is recommended that the Council's website is brought up to date as a matter of urgency since the Council is not currently complying with the requirements of the [Transparency code for smaller authorities](#) (the Code) and the [Freedom of Information Act 2000](#) (FOIA). As a result, the Council must answer 'No' to Assertion 3 of the Annual Governance Statement for 2021/22. We have noted the following issues, but the Council should ensure that all requirements of Annex A of the Code and of the FOIA are met:
  - a. Publication scheme – out of date and contains errors
  - b. Other out of date documents, e.g. various Council policies, Standing Orders and Financial Regulations
  - c. Documents containing known errors should be corrected, e.g. payments over £100 during 2020/21
  - d. Budget setting and monitoring documentation, including consideration and approval of earmarked reserves
  - e. Agenda papers – publication of non-confidential papers with the agendas
  - f. Register of interests – should be on website, not just linked to Wiltshire Council website
3. It is recommended that the Council's agendas and minutes should appropriately record the powers used and the resolutions made during meetings, in particular the appropriate approval of spending decisions and payments made by the Council.
4. It is recommended that the Council continues to seek written clarification of the historic VAT issue regarding a VAT reclaim for work carried out on county council owned pavement from HMRC.
5. It is recommended that the Council liaise with the local association to ensure that appropriate training is provided for all Members and employees.
6. It is recommended that the Council considers the cost/benefit of submitting an AGAR for limited assurance review by the appointed auditor rather than certifying exemption from the review for 2021/22.
7. It is recommended that the Council uses the mandatory requirements listed in Section 1 of the [JPAG Practitioners' Guide](#) as a checklist for each response to the Annual Governance Statement assertions in future in order to frame the consideration of responses.
8. It is recommended that, in view of the recently received comments about the Council's financial records, the Council establishes an accurate baseline for its financial accounts as at 1 April 2021 and then maintains adequate financial records going forwards. These should be reviewed by the Council on a quarterly basis, including reconciliations of all bank accounts.

This letter gives rise to additional fees payable by Poulshot Parish Council on conclusion of the process. This is for the additional work involved in receiving, considering and concluding on challenge correspondence and the production of this letter.

We suggest that the Council publishes this report on its website, as well as publishing an action plan (to be updated as appropriate for progress made) in response to the matters that we are drawing to the Council's attention. We suggest that this action plan is included as an agenda item at subsequent Council meetings until all actions have been completed.

Yours sincerely



PKF Littlejohn LLP