



Amanda LeBoff  
Clerk  
Shenley Parish Council  
The Hub  
London Road  
Radlett  
WD7 9BS

20th April 2021

Dear Amanda,

Further to my Internal Audit visit of the Council in respect of the 2020 Annual Return, I am submitting my report and observations to the Council. As you will notice from the attached Internal Audit Report it was unfortunately necessary to issue a negative response in respect of Control Objective C.

**Control Objective C**

“This authority assessed the significant risks to achieving its objectives and reviewed the adequacy of arrangements to manage these.”

**Reason for the negative response Control Objective C**

As you are aware, it was not possible during the internal audit to verify that this had been done. It is understood that this was intended to be carried out during the April 2020 Council meeting which had to be cancelled due to the COVID emergency.

The Practitioners Guide sets out that a Council “..needs to identify, assess and record risks..” and that “Having identified, assessed and recorded the risks, the authority needs to address them by ensuring that appropriate measures are in place to mitigate and manage risk.”

The normal practice by which a Council will meet the requirements of the Practitioners Guide is for the Council to maintain a risk register and for this register to be subject to review by Council on an annual basis.

From the records available, there is no evidence that the Council has undertaken such a review.

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## Implications in respect of the Annual Return

As previously advised it will be necessary for a negative response to be entered on the Internal Audit Report. In addition, the Council will also have to return a negative response in respect of Assertion 5 of the Annual Governance Statement.

It is highly likely that this issue will be subject to further query by the External Auditor and it would be helpful in that regard if the Council were to properly Minute a discussion of a review of this issue and to include an explanatory letter when submitting the Annual Return.

In addition to the Negative Response on the Internal Audit Report we have also responded 'Not Covered' in respect of the Control Objectives K, L and O and we are required to explain why we have done this.

- The reason for the "Not Covered" response for Objective K is that it is not applicable to your Council as the Council did not certify itself exempt from limited assurance review in 2019/20.
- The reason for the Not Covered response for Objective L is that it is not applicable to your Council as your 'annual turnover' exceeds £25,000.
- The reason for the Not Covered response for Objective O as it is our understanding that the Council does not act as Trustee.

In addition to this letter and the statutory Internal Audit Report I have also submitted our Internal Audit Observations and Summary to you by email. I would be grateful if you could bring all of these to the Councils attention in due course.

Yours sincerely,

A handwritten signature in black ink, appearing to read 'K. Rose'.

Kevin Rose ACMA  
Director