Metheringham Parish Council (LI0248)

Explanation of No Responses on the Annual Governance Statement

The council has responded "no" to assertions 1, 2, 3, 5, 7, and 10 because it accepted the findings of the Internal Audit Report dated 8th June 2026.

Annual Governance Statement Assertion	Internal Auditor comments
Assertion 1 - Financial management and preparation of accounting statements We have put in place arrangements for effective financial management during the year, and for the preparation of the accounting statements.	The council is unable to positively assert compliance with this due to - the inadequate budgetary process carried out in January 2025 (budgeting for FY 2025/26). - lack of investment strategy. - lack of reserves policy.
Assertion 2 - Internal control We maintained an adequate system of internal control, including measures designed to prevent and detect fraud and corruption and reviewed its effectiveness.	The council is not compliant with this assertion due to: - Financial Regulations and Standing Orders being unfit for purpose during the financial year. - payroll matters and approval of additional time worked. - non-compliance with the council's own procurement thresholds.
Assertion 3 - Compliance with laws, regulations and proper practices We took all reasonable steps to assure ourselves that there are no matters of actual or potential non-compliance with laws, regulations and proper practices that could have a significant financial effect on the ability of this smaller authority to conduct its business or on its finances.	The council is not compliant due to: - lack of appropriate decision making and committees acting outside delegated authority.
Assertion 5 — Risk management We carried out an assessment of the risks facing this smaller authority and took appropriate steps to manage those risks, including the introduction of internal controls and/or external insurance cover where required	The council is unable to positively assertcompliance with this due to: - Lack of an adopted risk register outlining the risks and mitigations affecting the councils activity and business continuity. - Lack of written inspections in relation to physical assets. - Levels of insurance and cover were not reviewed before renewal.
Assertion 7 — Reports from Auditors We took appropriate action on all matters raised in reports from internal and external audit	The council is unable to positively assert compliance with this due to: - Lack of corrective action following the 2024-2025 internal and external audits.

Assertion 10 - Digital and data compliance We considered and implemented the requirements to protect data and information.	The council is not compliant due to: - Lack of adopted IT policy withinthe 25/26 financial year - Website accessibility has not been reviewed since 2021. - Publication scheme wasn't published within the financial year. - Non-compliance with the Local Government Transparency Code 2015.

Following receipt of the Internal Audit report dated 29th March the council adopted an Action Plan which incorporates all the Internal Auditor's recommendations.

The Internal Audit report dated 8th June acknowledged progress the council has made but also explained these had not been in time to alter the "No" assertions above.

Progress against the plan is reviewed monthly and a copy is included in the submission pack to PKF Littlejohn.