1 October 2020

To whom it may concern,

Statement - Morecambe Town Council - Audit 2018-2019

Morecambe Town Council can confirm it resolved to undertake a voluntary audit of the 2018-2019 financial year, to review its finance and governance.

The Council would like to apologise for its failings and reassure the public that it is doing everything possible to improve following the findings of the audit report and it hopes this will be evidenced in the action taken by the authority in the forthcoming months.

The Council can confirm no corruption was reported in the findings of the internal audit and there is no evidence to suggest any public money is unaccounted for or has been disbursed anywhere other than on projects that have benefited the Morecambe community.

The audit report concludes a number of governance failings and the Council has employed a new Proper Officer, Luke Trevaskis, to assist the Council in the restructuring of its policies and procedures, to ensure the Council meets it lawful obligations moving forward.

The audit highlighted several payments processed in 2018-2019 without prior approval of the full Council. Such delegation is standard practice amongst many councils, including Lancaster City Council. However, this practice was not written into the policies and procedures of the Council at the time. At its meeting on 3 September 2020, the Council approved a new budget alongside a new scheme which delegates authority to incur expenditure to either officers, committees or the full council.

All payments made in 2018-2019 have been investigated and the Council can confirm no deceit has been detected on the part of the Council as a corporate body or any of the third parties it has funded in 2018-2019. All third parties received payments from the Council in good faith and used such monies to deliver schemes for the benefit of the Morecambe community.

The Council can confirm in a meeting held in June 2019 the Council approved the 2018-2019 expenditure report and accepted the expenditure incurred during 2018-2019 was expenditure of the corporate body. This accepted total expenditure was reported within an annual return and received and accepted by the external auditor.

The demands placed on parish and town councils is sometimes underestimated. Most large authorities have the support of staff across several departments handling matters such as procurement and finance. Indeed, most large authorities have a substantial workforce to discharge all of the Council's duties including planning, finance, health and safety, allotments, open spaces, asset management, human resources, marketing, public relations, and tourism (to name but a few). Lancaster City Council alone have in excess of seven hundred such officers.

Morecambe Town Council is a small authority, with one member of staff. Whilst it is not standard practice in larger authorities such as Lancaster City Council for members of the Council to be

signatories, this is unavoidable in parish and town councils without an extensive staffing structure. A small but effective level of staffing provides a significant saving that is passed on to the community of Morecambe. Whilst Morecambe Town Council wish to ensure the community continues to benefit from this saving, it has made significant changes to the way in which it manages its banking arrangements and it is no longer common practice to issue cheques. Rather, all payments are now processed electronically.

It can be confirmed, as outlined above, that the Council has already made significant improvements since the historic governance issues of 2018-2019 and has a number of exciting projects in the pipeline. The Council welcomes any feedback and encourages members of the public to stay up to date with the Council's activities by regularly visiting the website at www.morecambe.gov.uk.

 Your sincerely,

Mr Luke Trevaskis
Proper Officer