

Hi Lisa,

I have just completed the routine Internal Audit for Ryde Town Council and am pleased to be able to report that sound internal controls etc are in place. I can provide a more detailed report when required.

There is, however, a matter that had been brought to my attention that gives me a concern, ie the possible purchase of Ryde Town Hall, at a price significantly above the market value.

In summary my concerns are:

- 1) The Town Council, like all Local Authorities has a duty to deliver Best Value for its taxpayers and other stakeholders, with due regard to economy, efficiency and effectiveness and the figures suggested for payment seem to be considerably above what would represent good value.
- 2) There is also a duty to consult widely on such proposals
- 3) This proposal is against the specific advice of Town Council Officers and other Professionals.
- 4) There are considerable risks – financial and reputational with the building concerned.
- 5) No such capital contract can be entered into “unless the Council is satisfied that the necessary funds are available, or the requisite borrowing approval has been obtained” (Financial Regs, section 3.5)
- 6) If there were significant problems with this asset in terms of repairs / running costs and / or successful public challenges to the substantive proposal, the Council itself would be at risk.

Obviously, we could go into more detail on any of these points and through the history of how we got to this point in the decision-making process, but these were my initial concerns.

Kind Regards

Steve Milford  
RTC Internal Auditor