Internal Audit Report for Nayland with Wissington Parish Council

for the period ending 31 March 2024

Clerk	Debbie Hattrell
RFO (if different)	-
Chairperson	Councillor Robin Thorogood
Precept	£42,952.00
Income	£58,302.19
Expenditure	£61,267.06
General reserves	£36,261.53
Earmarked reserves	£63,000.00
Audit type	Annual
Auditor name	**Victoria Waples**

Introduction

The primary objective of internal audit is to review, appraise and report upon the adequacy of internal control systems operating throughout the council. To achieve this SALC adopt a predominantly systems-based approach to audit.

The council's internal control system comprises the whole network of systems established within the council to provide reasonable assurance that the council's objectives will be achieved, with reference to:

- the effectiveness of operations
- the economic and efficient use of resources
- compliance with applicable policies, procedures, laws, and regulations
- the safeguarding of assets and interests from losses of all kinds, including those arising from fraud, irregularity, and corruption
- the integrity and reliability of information, accounts, and data

Methodology

When conducting the audit, the internal auditor may:

- conduct a selective assessment of compliance with relevant procedures and controls expected to be in operation during the financial year in order to be able to complete the Annual Internal Audit Report 2022/23 of the Annual Governance and Accountability Return (AGAR)
- review the reliability and integrity of financial information and the means used to identify, measure, classify and report such information
- review the means of safeguarding assets and, as appropriate, verify the existence of such assets
- appraise the economy and efficiency with which resources are employed, identify opportunities to improve performance and recommend solutions to problems
- review the established systems to ensure compliance with those policies, procedures, laws, and regulations which could have a significant impact on operations, and determine whether the council complies
- review the operations and activities to ascertain whether results are consistent with objectives and whether they are being conducted as planned

Section 1 – proper bookkeeping The internal auditor will look at the methods and processes used to manage the council's accounts and in particular that it provides clear data for reporting and monitoring purposes. This includes checking information is accurate, kept up to date, referenced and verified.		
Evidence		*Internal auditor commentary*
Is the ledger maintained and up to date?	*Yes*	For the year under review, the council used excel spreadsheets to produce reports on a receipts and payments basis. The Responsible Financial Officer (RFO) has ensured that the cashbook is the focus for day-to-day accounting and is aware that the balancing off and reconciliation to the bank statement remains the most important control over the accounting system.
Is the ledger on the correct basis in relation to the gross income/expenditure?	*Yes*	Council's gross income and expenditure level is below the threshold of £200,000 and has been for three (3) continuous years. Council's operating under this limit may choose either to report on an income and expenditure basis or on a receipts and payments (R&P) basis. Council has elected to report its financial matters on a receipts and payments basis.
Is the cash book up to date and regularly verified?	*Yes*	The cashbook is reconciled on a monthly basis. Council follows Proper Practices in ensuring that its accounting procedure gives an accurate presentation of an authority's true financial position by focusing on the balance of economic benefits that it has under its control, rather than just its bank balance and the Responsible Financial Officer (RFO) has ensured that there are clear financial management reports submitted to the council on a regular basis.
Is the arithmetic correct?	*Yes*	A number of spot checks were conducted, and the functionality of the cashbook was found to be in order.
Additional comments:		

Section 2 – Financial Regulation and Standing Orders The internal auditor will check the date the Council conducted its annual review of both Standing Orders and Financial Regulations and in particular check if these are based on NALC'S latest model which include legislative changes.	
Evidence	*Internal auditor commentary*

Have Standing Orders been adopted, up to date and reviewed annually?	*Yes*	The Standing Orders, as seen on the Parish Council's website, were reviewed at the meeting of 10th January 2024. Council's Orders, are based on the latest model published by the National Association of Local Councils (2018) with adjustments to procurement thresholds as advised in 2022. The Standing Orders are compliant with legislation and have been adapted (where they are not statutory requirements) to ensure that they are relevant to the Parish Council.
Are Financial Regulations up to date and reviewed annually?	*Yes*	Financial Regulations (FR), as seen on the Council's website were reviewed at the meeting of 10th January 2024 and are based on the NALC Model Financial Regulations 2019 with provisions included as outlined under LTN 87 - Procurement – March 2022. *Comment: council might wish to note that SALC have advised that new model financial regulations are available for councils to adopt at the earliest opportunity.*
Has the Council properly tailored the Financial Regulations?	*Yes*	The Council's Financial Regulations have been tailored to the Parish Council.
Has the Council appointed a Responsible Financial Officer (RFO)?[1]	*Yes*	In accordance with Section 151 of the Local Government Act 1972(d) (financial administration), the Council has appointed a person (the Clerk) to be responsible for the administration of the financial affairs of the relevant authority. Council's Financial Regulation 1.8 confirms that the Clerk is so appointed.
Additional comments:		

Section 3 – Payment controls The internal auditor will specifically check bank reconciliation including credit/debit cards and management approval processes and evidence that internal Financial Regulations (FO) are being followed. The internal auditor will examine how regular payments are managed and specifically seek evidence that these have been brought back to the Council for verification purposes especially where the actual payment made differs from the amount previously agreed. VAT should be clearly identified including evidence that claims have been correctly managed. The internal auditor will check if the Council has a clear understanding on eligibility in relation to the General Power of Competence and that s.137 has been correctly applied and managed.	

[1] Section 151 Local Government Act 1972 (d)

Evidence		*Internal auditor commentary*
Is there supporting paperwork for payments with appropriate authorisation?	*Yes*	A selection of random payments were cross checked against payment schedules, cash book, bank statement and invoices and all were found to be recorded/ authorised in accordance with Proper Practices. A further spot check of items paid via the system from the Council's Accounts was also cross checked against cashbook, bank statements and invoices. All were found to be in order. A spot check of payments made under contractual terms were further analysed and all were found to be in accordance with agreed schedules and sums approved.
Where applicable, are internet banking transactions properly recorded and approved?	*Yes*	Internet banking is operated in accordance with the council's own Financial Regulations and is used for the settlement of the council's expenditure. The council's internal control policy details the procedure to be followed for the making of and authorisation process for such payments. *Comment: to demonstrate good practice, council's internal controls provide details of the verification process that will be undertaken by the council, with such reviews being evidenced in the minutes and any discrepancies identified and addressed. This is not only good practice but is also a safeguard for the RFO and fulfils one of the authority's internal control objectives.*
Is VAT correctly identified, recorded, and claimed within time limits?	*Yes*	VAT is identified in the cash book with the year-end balance standing at £6,003.61, which was submitted as a reclaim in April 2024. The VAT reclaim for the period ending 31st March 2023 in the sum of £7,535.48 was settled in May 2023.
Has the Council adopted the General Power of Competence (GPOC) and is there evidence this is being applied correctly?[2]	*Yes*	Council, having declared that it fulfilled the eligibility criteria to use the general power of competence (at least two-thirds elected members and a qualified Clerk (CiLCA or higher)), resolved at the meeting of 10th May 2023, to use the power until the next relevant Annual Council Meeting (May 2027). Donations evidenced from the cashbook totalled £1,000.

[2] Localism Act

Are payments under s.137[3] separately recorded, minuted and is there evidence of direct benefit to electorate?	*N/A*	Council uses the discretionary power to do anything that an individual can do unless specifically prohibited by law.
Where applicable, are payments of interest and principal sums in respect of loans paid in accordance with agreements?	*Yes*	The council has the following Public Works Board Loan: PW482552 (outstanding balance as at 31st March 2024 £1,384.50) and PW401969 (outstanding balance as at 31st March 2024 £1,661.50). Interest repayments are to be made twice yearly on the nearest working day to 26 January and 26 July. The former is under an EIP (equal instalments of principal) repayment method, whilst the latter is under an Annuity repayment method. The half yearly annuity payments of £956.55 and £939.67 were made on 26th July 2023 and 26th January 2024 respectively.
Additional comments:		

Section 4 – Risk management The internal auditor will expect to find evidence of the management of risks from identification of what those are for each individual Council through to how these will be managed and the controls in place to mitigate these and that these have been approved by the Council.		
Evidence		Internal auditor commentary
Is there evidence of risk assessment documentation?	*Yes*	The risk assessment documentation as reviewed provides details of the risks associated with the functioning of a smaller authority and the measures that the Council will undertake to mitigate such risks. The Risk Register for the year under review was considered and adopted by the council at its meeting of 11th October 2023 subject to amendments to the risks associated with Covid-19 detailing that council would follow national guidelines as issued.
Is there evidence that risks are being identified and managed?	*Yes*	Council is aware that risk assessment needs to focus on the safety of the parish council's assets and in particular its money. There is evidence that overall the parish council has taken action to identify and assess those risks

[3] *Section 137 of the Local Government Act 1972 ("the 1972 Act") enables local councils to spend a limited amount of money for purposes for which they have no other specific statutory expenditure. The basic power is for a local council to spend money (subject to the statutory limit – of £9.93 per elector) on purposes for the direct benefit of its area, or part of its area, or all or some of its inhabitants.*

		and has considered what actions or decisions it needs to take during the year to manage in order to avoid financial or reputational consequences.
*Does the Council have appropriate and adequate insurance cover in place for employment, public liability and fidelity guarantee **and** has been reviewed on an annual basis?*	*Yes*	Council has insurance in place under a Charity and Community (Essential) policy with Ansvar insurance. Core cover for the council's insurance policy is shown as: Employer's liability: £10million; Public/Products Liability: £10million; Trustees and Directors' Liability: £1million and Fidelity Guarantee of £100thousand. *Comment: Council has followed recommended guidance by ensuring that its Fidelity Cover is equal to at least the sum of the year-end balances plus 50% of the precept/grants to be received in the following April/May and/or during the year upon receipt of grants.* During the year under review, council is able to demonstrate, evidence from a review of the minutes, that it is aware that it is the responsibility of the Council as a whole to satisfy itself that insurances are adequate and that all steps have been taken to mitigate and manage identified risks with appropriate insurance and that annual reviews of the Council's insurance were undertaken prior to renewal. The minutes of 13th September 2023 demonstrate that the council's insurance requirements had been subjected to a thorough review during the previous year and the premium for the current year reflected a minor increase. The minutes confirm that members were content with current arrangements and the clerk was given delegated authority to progress the renewal of the council's insurance up to the final figure quoted. *Comment: Council has ensured that it is able to demonstrate that it has reviewed the risks facing the Council in transacting its business and has taken out appropriate insurance to manage and reduce the risks relating to property, cash and legal liability (amongst other things).*
Evidence that internal controls are documented and regularly reviewed[4]	*Yes*	Council reviewed and adopted its Internal Control Policy for the year commencing 1st April 2024 on 10th January 2024. As such, it is evidenced from the document seen, that the council, in accordance with Regulation 6 of the Accounts and Audit Regulations 2015, confirmed that the financial and management systems of the council were sound and adequate and internal

[4] Accounts and Audit Regulations

		control arrangements were efficient and effective to address the risks associated with the management of public finances.
Evidence that a review of the effectiveness of internal audit was conducted during the year, including consideration of the independence and competence of the internal auditor prior to their appointment[5]	*Yes*	At the meeting of 10th January 2024, as detailed within the internal control policy, council formally reviewed the scope and effectiveness of its internal audit arrangements, with such a review covering both internal and external audit. *Comment: Council is aware that in accordance with the Accounts and Audit Regulation 2015, the parish council must review the terms of reference and effectiveness of internal audit and demonstrate that it has understood that the role of internal audit is to evaluate and report on the adequacy of the system of internal control.*
Additional comments:		

Section 5 – Budgetary controls The internal auditor will seek verification that budgets are properly prepared, agreed and monitored. In particular they will look for evidence of good practice in that the key stages of the budgetary process have been followed		
Evidence		Internal auditor commentary
Verify that budget has been properly prepared and agreed	*Yes*	The budget for the year 2023-2024 was approved at the Council meeting of 11th January 2023. The budget for the year 2024-2025 was approved at the council meeting of 10th January 2024. Whilst the meetings for both years provide evidence of the reasoning around the setting of the budget, there is no evidence within the minutes or on the website of the actual budget being set. **Recommendation: to provide transparency in the budgetary process followed by the council and the budget being set, council should ensure that a copy of the budget is uploaded to the website or appended to the minutes at which the budget is set.**

[5] Practitioners Guide

Verify that the precept amount has been agreed in full Council and clearly minuted	*Yes*	The precept for the year 2023 – 2024 was set at £42,952 at the meeting of 11th January 2023 with the minutes showing that council agreed to a 1.9% rise on a Band D Council Tax dwelling. The precept for the year 2024 – 2025 was discussed and approved at the meeting of 10th January 2024 and set at £46,258. The minutes show that this would represent a 7% increase on a Band D Council Tax dwelling over that set for the previous year and the reasoning behind the increase.
Regular reporting of expenditure and variances from budget	*Yes*	Council considered its six-monthly report summarizing the Council's receipts and payments and aggregate receipts and payments for the year to date with balances held at the meeting on 11th October 2023. The review also covered the budget for the current year and a review of income and expenditure against budget along with forecasts for the remainder of the year.
Reserves held – general and earmarked[6]	*Yes*	The Council, as at year-end, had overall reserves totalling £99,261.53 General Reserves totalling £36,261.53 and Earmarked Reserves of £63,000.00. *Comment: Council might wish to note guidance as issued by Proper Practices which states that it is regarded as acceptable for a council's general (non-earmarked revenue) reserves to be equal to 3 to 12 months of Net Revenue Expenditure and should ensure that the level of general reserves held is in accordance with an adopted General Reserve Policy.* Council has, within its own Reserve Policy, (as reviewed and adopted by the council in November 2023) set a limit to be held for its general reserve and is aware that this will be subject to further reviews to include cash flow requirements, inflationary and interest rates, diversification of funds to spread risk and optimize interest returns prior to year-end adjustments to maintain the prescribed level. The adopted policy shows that even at times of extreme financial pressure the Council will keep a minimum balance sufficient to pay one month's salaries to staff at all times. The current level of general reserves to be held by the council is between 40% - 50% of the annual precepted figure, i.e. to fully cover approximately six months of contracted expenditure.

[6] In accordance with proper practices, the generally accepted minimum level of a Smaller Authority's General Reserve is that this should be maintained at between three (3) and twelve (12) months of Net Revenue Expenditure

		There is no upper limit for Earmarked Reserves, but they should be held for genuine and intended purposes and their level subject to regular review and justification (at least annually). *Comment: Council is aware that its level of general reserves held should be annually reviewed and justification provided for any variations to the specified target identified within its general reserve policy.*
Additional comments:		

Section 6 – income controls The internal auditor will seek evidence to ensure income is correct managed – recorded, banked, and reported and test mechanisms used to achieve this.		
Evidence		Internal auditor commentary
Is income properly recorded and promptly banked?	*Yes*	Income is recorded in accordance with Council's Financial Regulations. A sample of receipts was checked against cash book and bank statement and found to be in order and recorded in accordance with Proper Practices. The RFO has ensured that the accounting records contain all day-to-day entries of all sums of money received.
Is income reported to full council?	*Yes*	Income received is reported to full Council within the six-monthly financial reports submitted to full Council in accordance with council's financial regulations. In accordance with Financial Regulation 9.3, Council formally reviewed the fees and charges for allotment rents at its meeting of 13th December 2023. The minutes of the meeting highlight the reviews that have been undertaken and recommendations approved by the council following a review by the Finance sub-committee in terms of rents and terms and conditions to be applied effective 1st April 2024. *Comment: Council has ensured that appropriate control procedures are in place and documentation is in existence to provide a clear audit trail from invoicing through to recovery of all such income.* As a Burial Authority and in accordance with proper practices, Council has ensured that it maintains a formal burial register which is up-to-date and

		accurately held. At the same meeting, council also agreed to an increase in burial fees to be charged from 1st April 2024.
Does the precept recorded agree to the Council Tax Authority's notification?	*Yes*	Council received precept in the sum of £42,952 from Babergh District Council for the period under review in April and September 2023. Evidence was provided showing a full audit trail from Precept being discussed and approved to being served on the Charging Authority to remittance advice showing the Precept to be paid and receipt of same in the council's bank account.
If appropriate, are CIL reporting schedules in accordance with the Regulations?[7]	*Yes*	During the year under review, council, having received not only CIL receipts but also having a retained balance at year end, has created an earmarked reserve for all retained CIL balances. The scheduled held are in accordance with the requirements of the Regulations.
Is CIL income reported to the council?	*Yes*	For the year under review, council received £3,178.28 in April 2023 as CIL receipts.
Does unspent CIL income form part of earmarked reserves?	*Yes*	The CIL workings for 2023/2024 shows that there is a retained balance at the year ending 31st March 2024 of £40,696.95
Has an annual report been produced?	*Yes*	The Annual CIL Statement has been produced and was approved by the council at its meeting of 8th May 2024.
Has it been published on the authority's website?	*Yes*	The Annual CIL Statement for the year although unsigned has been uploaded onto the council's website. *Comment: council is aware that the Regulations provided clarity on the timing of the reports, and by which date they should be brought into the public domain.*
Additional comments:		
Section 7 – petty cash The Internal Auditor will seek evidence that the Council has followed its own policies, procedures, and verification processes and that these are up to date.		
Evidence		Internal auditor commentary

[7] Community Infrastructure Levy Regulations 2010

Is petty cash in operation?	*N/A*	Council does not operate a petty cash system.
If appropriate, is there an adequate control system in place?	*N/A*	Council does not operate a petty cash system but there is a satisfactory expense system in place and all expenses claimed are approved by full council with supporting paperwork in place.
Additional comments:		

Section 8 – Payroll controls The Internal Auditor will check salaries were approved in accordance with PAYE, NI, Pension and that there is a clear understanding that the clerk is not self-employed. The Internal Auditor will also review how payroll is managed including evidence of approval of payslips.		
Evidence		Internal auditor commentary
Do all employees have contracts of employment?	*Yes*	Council had 1 employee on its payroll at the period end of 31st March 2024. Employment contracts were not reviewed during the internal audit but the Clerk to the Council has confirmed that all staff have a contract of employment in place.
Has the Council approved salary paid?	*Yes*	All salary payments are presented to full Council for approval and payment is made via internet banking in accordance with council's own Financial Regulations. Amendments to salary points, working hours and budgets are all approved by full council. *Comment: Council ensures that there are suitable payroll arrangements in place which ensures the accuracy and legitimacy of payments of salaries and wages, and associated liabilities and as such the council has complied with its duties under legislation.*
Minimum wage paid?	*No*	No employee is paid the national minimum wage.
Are arrangements in place for authorising of the payroll and payments to the council? Does this include a verification process for agreeing rates of pay to be applied?	*Yes*	There are suitable payroll arrangements in place which ensures the accuracy and legitimacy of payments of salaries and wages, and associated liabilities and as such the council has complied with its duties under legislation.
Do salary payments include deductions for PAYE/NIC? Is PAYE/NIC paid promptly to HMRC?	*Yes*	The payroll function for the year under review is operated in accordance with HM Revenue and Customs guidelines. Cross-checks were completed on a

		sample of payments covering salary and all were found to be in order. Deductions due to be paid to HM Revenue and Customs during the year under review were made within the requisite time periods.
Is there evidence that the Council is aware of its pension responsibilities? Are pension payments in operation?[8]	*Yes*	Council is aware of its pension responsibilities and ensures that payments to the council approved pension provider are made within the appropriate timescales.
Have pension re-declaration duties been conducted	*Yes*	From paperwork seen, the council completed its re-declaration of compliance with The Pensions Regulator on 26th May 2023.
Are there any other payments (e.g.: expenses) and are these reasonable and approved by the Council?	*Yes*	There is a satisfactory expense system in place and all expenses claimed are approved by full council with supporting paperwork in place and reimbursed in accordance with Council's Financial Regulations.
Additional comments:		

Section 9 – Asset control The Internal Audit will be seeking to establish if there is a list of assets in accordance with proper practices including the date of acquisition, location, and value. This extends to checking policies (with evidence of review) and that the Council has applied the documented approach in practice. The Internal Auditor will check not only valuation processes but the existence of reserve budgets for depreciation and adequacy of insurance. A clear audit trail should be available when items are purchased including minutes to evidence approval.		
Evidence		Internal auditor commentary
Does the Council maintain a register of material assets it owns and manage this in accordance with proper practices?[9]	*Yes*	The Asset Register, as submitted for internal audit review, reflects those items listed under insurance and within the parish council's remit for maintenance and ownership. It is noted that the declared value for all assets at year-end (31.03.2024) is £49,140 which reflects additions during the year under review.
Is the value of the assets included? (Note value for insurance purposes may differ)	*Yes*	Council is mindful of the guidance within the Governance and Accountability for Smaller Authorities in England March 2023 on the valuation of its assets and has ensured that where the acquisition value of the asset at the time of first recording is used, that method of valuation has been consistently applied.

[8] The Pension Regulator – website click here
[9] Practitioners Guide

Are records of deeds, articles, land registry title number available?	*Yes*	Records of deeds, articles, land registry title number were not reviewed during the internal audit which was conducted via remote means.
Are copies of licences or leases available for assets sited at third party property?	*N/A*	Council has not declared any assets located on third party property.
Is the asset register up to date and reviewed annually?	*Yes*	Whilst the asset register does not contain an approval date, the values as shown on the Asset Register show assets to the value of £49,140 (rounded). It is confirmed that this is the sum detailed at Line 9 on the Accounting Statements of the AGAR. **Recommendation: council should note that long-term investments (such as those entered into the National Savings Account) should be included in the asset register at acquisition cost. Any interest or dividend received should be included as income once received into the bank or added in value to the asset if it is reinvested.**
Cross checking of insurance cover	*Yes*	Council has insurance under all risks cover for its assets as specified under the headings on the insurance schedule.
Additional comments:		

Section 10 – bank reconciliation The internal auditor will seek to establish that the Council understands and can evidence good practice and internal control mechanisms in relation to bank reconciliation.		
Evidence		Internal auditor commentary
Is bank reconciliation regularly completed and reconciled with the cash book and cover every account?	*Yes*	Bank reconciliations are completed on a regular basis and reconcile with the cash sheets.
Do bank balances agree with bank statements?	*Yes*	Bank balances agree with year end and period end statements and, as at year end (31st March 2024) the balance across the councils accounts stood at £99,261.53 as recorded in the council's cashbooks and on the bank reconciliation. *Comment: council has noted that the year-end bank reconciliation is a key financial control as it will underpin and support the total cash and short-term*

		investments balance as shown in Line 8 of the Accounting Statements of the AGAR. **Recommendation: as stated above, council should note that proper practices defines long-term investments as being for more than 12-month terms and whilst they must be included within the bank reconciliation as reported at line 8 of the AGAR, they must also be reported as Assets in the AGAR at section 2, line 9.**
Is there regular reporting of bank balances at Council meetings?	*Yes*	Balances across the Council's accounts are reported at each meeting of full Council. The minutes of council meetings, demonstrate that a review of the bank reconciliation versus the bank statements has been undertaken. In compliance with council's internal controls, there is a requirement for the bank statements to be circulated at least quarterly and for members to confirm the amounts equate to those stated in the minutes. *Comment: this is not only good practice but is also a safeguard for the RFO and fulfils one of the authority's internal control objectives.*
Additional comments:		

Section 11 – year end procedures		
Evidence		*Internal auditor commentary*
Are appropriate accounting procedures used?	*Yes*	Accounts are produced on a receipts and payments basis.
Financial trail from records to presented accounts	*Yes*	The Internal Auditor confirms that, having reviewed the year-end files, there is a full underlying financial trail from financial records to the accounts produced.
Has the appropriate end of year AGAR[10] documents been completed?	*Yes*	As Council is a smaller authority with gross income and expenditure exceeding £25,000 it will be required to complete the Annual Governance and Accountability Return (AGAR) Form 3. The Accounting Statements were approved and signed at the meeting of 8th May 2024.

[10] Annual Governance & Accountability Return (AGAR)

		Recommendation: adjustments will be needed to line 9, of the Accounting Statements for the current year as well as the prior year figures.
Did the Council meet the exemption criteria and correctly declared itself exempt?	*N/A*	As the council had gross income and expenditure exceeding £25,000 during 2022-2023 it was not able to declare itself exempt from a limited assurance review for the year ending 31st March 2023.
During the period in question did the small authority demonstrate that it correctly provided for the exercise of public right as required by the Accounts and Audit Regulations 2015?	*Yes*	Council has demonstrated that during the year under review, it ensured that the period for the exercise of elector's rights during Summer 2023 was in accordance with the period specified within the Accounts and Audit Regulations 2015. The dates set were 3rd July to 11th August 2023 with the Notice being dated 29th June 2023 as seen on the council's website. *Comment: within the Annual Internal Audit Report, internal control objective test M requires the internal auditor to establish whether the parish council correctly provided for the exercise and published a copy of the required "Public Notice" by ensuring that it clearly identified the statutory 30 working day period when the Authority's records are available for public inspection. This is evidenced by the notice on the website which contains the period for the exercise of public right; details of the manner in which the documents can be inspected; the name and address of the external auditor and the provisions as contained under section 25 and section 27 of the Act.*
Have the publication requirements been met in accordance with the Regulations?[11]	*Yes*	The Council has complied with the requirements of the Accounts and Audit Regulations 2015 for smaller authorities with income and expenditure exceeding £25,000 for the year ending 31st March 2023 and published the following on a public website: Notice of the period for the exercise of public rights Annual Internal Audit Report Section 1 – Annual Governance Statement of the AGAR Section 2 – Annual Accounting Statements of the AGAR Notice of conclusion of audit Section 3 – External Auditor's Report and Certificate of the AGAR Sections 1 and 2 of the AGAR including any amendments as a result of the limited assurance review.

[11] Accounts and Audit Regulations 2015

Additional comments:

Section 12 – internal audit The internal auditor will revisit weaknesses and recommendations previously identified to see if these have been addressed. They will also check if any changes introduced require further verification to ensure effectiveness of the corrective action taken.		
Evidence		*Internal auditor commentary*
Has the Council considered the previous internal audit report?	*Yes*	The Internal Audit Report for the period ending 31st March 2023 was formally considered by and approved for adoption at the meeting of full Council of 13th September 2023.
Has appropriate action been taken regarding the recommendations raised?	*Yes*	Council has taken action to address the recommendations raised within the internal audit report for the year ending 31st March 2023 which were as follows: 1. Evidence of the appointment of the internal auditor 2. Publication of a website accessibility statement. *Comment: in accordance with guidance, an action plan should be produced setting out the areas of improvement or development as identified within the narrative internal audit report. Any proposed remedial actions should be identified within the plan along with the members or officers responsible for delivering improvement and the deadlines for the completion of the action. Council has understood the requirement to ensure that, having received a narrative internal audit report, it should minute its review of the work conducted and agree actions planned from the outcomes identified.*
Has the Council confirmed the appointment of an internal auditor?	*Yes*	The appointment of the person to act as the parish council's independent internal auditor for the year 2023-2024 was approved at the council meeting of 13th September 2023. *Comment: Council has understood the requirement to ensure that there is an appointed person to provide assurance that the financial and management systems of the council are sound and adequate and internal control arrangements are efficient and effective.*
Additional comments:		

Section 13 – external audit for the period under review The internal auditor will revisit the external audit so that previous weaknesses and recommendations can be considered.		
Evidence		*Internal auditor commentary*
Has the Council considered the previous external audit report?[12]	*Yes*	At the meeting of full Council of 11th October 2023, Council considered the report from the External Auditor for the year ending 31st March 2023.
Has appropriate action been taken regarding the comments raised?	*N/A*	There were no matters which come to the attention of the external auditor which have cause for concern that relevant legislation and regulatory requirements had not been met. The conclusion of the audit, including the certificate and audited accounts were seen on the council's website.
Additional comments:		

Section 14 – additional information The internal auditor will look for additional evidence of good record keeping, compliance with data protection regulations, freedom of information and website accessibility regulations.		
Evidence		*Internal auditor commentary*
Was the annual meeting held in accordance with legislation? [13]	*Yes*	Council held its Annual Meeting of the Parish Council at which the Chair was elected on 10th May 2023 in accordance with legislation in place at that time. Following the resignation of the Chair as elected in May 2023, the meeting of 12th July elected a new Chair, this being the first item on the agenda, in accordance with prevailing legislation. Election of a new chair, following the resignation of the Chair prior to the meeting in March, was the

[12] Regulation 20 Accounts and Audit Regulations 2015 – *following completion of an audit the Council should note that it is the Council as a whole (i.e., All members) and not a committee that should receive and consider the audit letter (including Annual Return and Certificate) from the local auditor as soon as reasonably practicable and the minutes should reflect that these have been received.*

[13] The Local Government Act 1972 Schedule 12, paragraph 7 (2) and Schedule 15 (2)

		first item on the agenda for the meeting of 13th March 2024. Once elected, the chair completed and signed their Declaration of Acceptance of Office.
Is there evidence that Minutes are administered in accordance with legislation? [14]	*Yes*	Council is aware that that under LGA 1972 schedule 12, paragraphs 41(1) and 44 the draft minutes of a meeting should be formally approved (with any necessary amendments) at the next meeting. At each meeting, the Chair is given formal approval to sign the minutes. *Comment: Council has ensured that, in accordance with legislation, loose leaf minutes should be numbered consecutively and signed by the Chair of the meeting on each page.*
Is there a list of members' interests held?	*Yes*	Evidence was seen on the district council's website the Register of Interests for all current parish councillors with a link from the councillor page on the council's own website.
Does the Council have any Trustee responsibilities and if so, are these clearly identified in a Trust Document?	*N/A*	Council does not have any Trustee Responsibilities.
Has the Transparency Code been correctly applied, and information published in accordance with current legislation?	*In progress*	Councils with gross income and expenditure under £25,000 are required to follow the Local Government Transparency Code 2014 for smaller authorities and ensure that the following are published on a public website in accordance with the dates prescribed by the relevant regulations (not later than 1 July): Internal Audit Report; List of Councillors and Responsibilities; Items of Expenditure Above £100 including recoverable and non-recoverable VAT; End of Year Accounts; Annual Governance Statement; Asset Register and that Agendas of Meetings; Associated Papers and Minutes should be published in accordance with the prescribed timescales as set out in the code for smaller authorities. *Comment: salaries are exempt from the requirement to list items of expenditure above £100.* Councils with annual turnover exceeding £200,000, to ensure full compliance with the requirements of the Local Government Transparency Code 2015, should be aware of the following publication timescales: quarterly: individual items of expenditure that exceed £500 (currently published on an annual basis); Government Procurement Card

[14] Public Bodies (Admission to Meetings) Act 1960, Local Government Act 1972, and the Localism Act 2011

		transactions; Invitations to tender for contracts over £5,000; Details of contracts that exceed £5,000; annually: details of all land and building assets; Grants to Voluntary, Community and Social Enterprise Organisations; Organisational Chart *Comment: councils that fall between both thresholds are expected to follow the Local Transparency Code 2015 and the council might wish, as a commitment to openness and transparency, to consider maintaining and monitoring the council's website so that it is updated regularly with the above information.*
Has the Council registered with the Information Commissioner's Office (ICO)?[15]	*Yes*	The Council is correctly registered with the Information Commissioner's Office (ICO) as a Data Controller in accordance with the Data Protection Legislation. The ICO's Model Publication Scheme information sheet has been uploaded onto the council's website. However, this does not constitute a Model Publication Scheme document as defined under the Freedom of Information 2000 as it has not been tailored to the council to accurately reflect council's activities undertaken and the manner in which information will be made available. **Recommendation: Council should seek to review the information it holds under the scheme and ensure that it is up to date and that it is available to view on its website in a format that is tailored to the parish council.**
Is the Council compliant with the General Data Protection Regulation requirements?	*Yes*	Council has taken active steps to ensure compliancy with the GDPR requirements and has adopted a number of GDPR Policies during the year that provides clear responsibilities and obligations of the Council in respect of the collecting, using and protecting of personal information in accordance with the provisions of the GDPR. *Comment: The Privacy Policy on the Parish Council's website covers the framework that the public can expect for dealing with requests from individuals who have the right to know what data is held on them, why the data is being processed and whether it will be given to any third party.*

[15] Data Protection Act 2018

Has the Council published a website accessibility statement on their website in line with Regulations?[16]	*Yes*	Council has published technical information about the website's accessibility on the council operated website detailing the technical information of the website along with the methods used for testing the website; the steps being taken to improve accessibility and how the site is being improved to ensure that content meets the WCAG 2.1 Standard under Regulation 8 of the Public Sector Bodies (Websites and Mobile Applications) (No. 2) Accessibility Regulations 2018.
Does the council have official email addresses for correspondence?[17]	*Yes*	Council has a GOV.UK domain for its council website which also supports a secure and digitally managed email system. Council is aware of the importance of ensuring that it uses a secure e-mail system with a gov.uk address thereby identifying that it has local government status and demonstrating authenticity when building trust and credibility with the public. Council has also adhered to the guidance contain within proper practices which recommends that a GOV.UK domain name be used to support council's official email accounts for officers and councillors. *Comment: in accordance with guidance issued, the Clerk / RFO should ensure that they are able to add and remove member and staff email accounts via the Council's nominated IT company.*
Is there evidence that electronic files are backed up?	*Yes*	Council uses a system whereby a back-up of the council's data is taken and stored appropriately.
Do terms of reference exist for all committees and is there evidence these are regularly reviewed?	*N/A*	Council does not operate with a committee system but uses sub-committees as advisory groups.

Signed: *Victoria S Waples*

Date of Internal Audit Review: 06.06.2024 & 10.06.2024

Date of Internal Audit Report: 10.06.2024

On behalf of Suffolk Association of Local Councils

[16] Website Accessibility Regulations 2018
[17] Practitioners Guide