

Internal Audit Report for Kessingland Parish Council for the period ending 31 March 2024

Deputy Clerk	Shelley Hogg
RFO (if different)	As above
Chairperson	Sid James
Precept	£ 151,154.00
Income	£ 391,404.38
Expenditure	£ 230,524.67
General reserves	£ 19,938.48
Earmarked reserves	£ 140,941.23
Audit type	Annual
Auditor name	Julie Lawes

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 2023/24 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		<i>Internal auditor commentary</i>
<i>Is the ledger maintained and up to date?</i>	YES	The council uses Scribe Accounting to record the financial transactions of the Parish Council. All transactions are well referenced and provide an effective tool for the basis of the council’s internal controls. It is noted that there were some delays in the closing of the previous year’s accounts and the transfer over from Rialtas to the new software.
<i>Is the ledger on the correct basis in relation to the gross income/expenditure?</i> (under Proper Practices, Councils are required to work on an Income & Expenditure basis when their gross income, or gross expenditure, exceeds £200,000 for 3 consecutive years)	YES	COMMENT: Council’s gross income and expenditure level is above the threshold of £200,000 and has been for two continuous years. Council should be aware that if it continues to operate above this limit for the coming year, it will need to convert to reporting on an income and expenditure basis with adjustments at year end. In accordance with current rules to ensure that there is a like for like comparison between the two years, the prior year would need to be restated. Scribe has the facility to calculate year end on an income and expenditure basis should this be required.
<i>Is the cash book up to date and regularly verified?</i>	YES	Council follows Proper Practices in ensuring that its accounting procedure gives an accurate presentation of the authority’s true financial position.
<i>Is the arithmetic correct?</i>	YES	A number of spot checks were carried out and the functionality of the cashbook was found to be in order.
Additional comments: The Internal Auditor notes that the council has had difficulty in closing down the year end of 2022/2023 with Rialtas and commencing the new year with Scribe, having to input a full years worth of financial information into the system, thus causing a delay in producing the normal reports to council.		

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		<i>Internal auditor commentary</i>
Have Standing Orders been adopted, up to date and reviewed annually?	YES	<p>The Standing Orders, as seen on the Parish Council's website, show an adopted date of March 2020 with an amended date of 2021 and a review date of May 2023.</p> <p>Council reviewed its Standing Orders at a meeting held 17th May 2023. Standing Orders are based on the latest model published by the National Association of Local Councils (2018) and contain the provisions of the Model Councillor Code of Conduct as adopted by the Council. 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.</p> <p>COMMENT: At the next annual review, Council might wish to also review the Procurement Thresholds amendments (SI 2022/139) of the Public Contracts (Amendment) Regulations 2022 which came into force on 21st December 2022 and make the changes to the contract value limits from £25,000 to £30,000 for non-central government authorities. The contract value limits are to be calculated inclusive of VAT (effective from 1st January 2022).</p>
Are Financial Regulations up to date and reviewed annually?	YES	<p>Financial Regulations (FR), as seen on the Council's website show an adopted date of March 2020 with an amended date of 3/2023 and a review date of May 2023.</p> <p>Council reviewed its Financial Regulations at a meeting held 17th May 2023 and are based on the NALC Model Financial Regulations 2019</p> <p>COMMENT: Council should note revised Financial Regulations have been recently released by NALC and should be considered at its next review.</p>
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.
<i>Additional comments:</i>		

¹ Section 151 Local Government Act 1972 (d)

<p>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.</p>	
<p>Evidence</p>	<p><i>Internal auditor commentary</i></p>
<p>Is there supporting paperwork for payments with appropriate authorisation?</p>	<p>YES</p> <p>A selection of random payments were cross checked against the cash book, bank statement and invoices and all were found to be recorded and authorised in accordance with Proper Practices.</p> <p>RECOMMENDATION: Section 5.2 of councils Financial Regulations states: The RFO shall prepare a schedule of payments requiring authorisation, forming part of the Agenda for the Meeting or published with the agenda as associated paperwork and, together with the relevant invoices, present the schedule to the Finance & Governance committee or council. The committee/council shall review the schedule for compliance and, having satisfied itself, shall authorise payment by a resolution of the Finance Committee or council. The approved schedule shall be ruled off and initialled by the Chairman of the Meeting. <u>A detailed list of all payments shall be disclosed within or as an attachment to the minutes of the meeting at which payment was authorised.</u> Personal payments (including salaries, wages, expenses and any payment made in relation to the termination of a contract of employment) may be summarised to remove public access to any personal information.</p> <p>Accounts are recorded and approved at meetings of the Finance & Governance Committee, of those minutes published on the council website, only a couple document the Financial Reports as detailed in the minutes. It was noted these were missing from the meetings held 28/06/23, 21/08/23, 23/08/23, 29/09/23, 01/11/23, 20/12/23, 07/02/24 and 06/03/24.</p>

		<p>COMMENT: The Deputy Clerk has advised that moving forward they will ensure these are included within the minutes.</p> <p>RECOMMENDATION: It is noted in the minutes of the Finance & Governance Committee meeting held 27th March 2024, 130.6 that it was approved to buy a gift card to the value of £100 for a member of the community as a thank you for their voluntary work. Council should ensure it has appropriate powers to make such payments to individuals with council funds.</p>
Where applicable, are internet banking transactions properly recorded and approved?	YES	<p>Payments, income, expenditure, bank balances and reconciliations are approved by the Finance and Governance Committee and reported to full council.</p> <p>Council subscriptions were approved at a meeting held 17th May 2023 alongside direct debits and standing orders.</p> <p>Council Internal Controls detail that two members of the council must sign every cheque or order for payment. The signatories should consider each payment against the relevant invoice, sign the invoice and initial the cheque counterfoil or relevant online banking paperwork.</p> <p>All authorised cheque signatories are members of the council.</p> <p>No officer of the council can sign cheques.</p> <p>All payments should align with the council's financial regulations unless authorised by full council.</p>
Is VAT correctly identified, recorded, and claimed within time limits?	YES	<p>Council records in its cashbook a total value of £19,701.31 VAT for the period under review.</p> <p>A claim was made to HMRC of £14,343.50 and received by council as evidenced on its bank statements on 28th July 2023.</p>
Has the Council adopted the General Power of Competence (GPOC) and is there evidence this is being applied correctly? ²	N/A	Council has not adopted the General Power of Competence.

² Localism Act

Are payments under s.137 ³ separately recorded, minuted and is there evidence of direct benefit to electorate?	N/A	Council did not record any s137 payments for the period under review.
Where applicable, are payments of interest and principal sums in respect of loans paid in accordance with agreements?	N/A	Council has no loans
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
<i>Is there evidence of risk assessment documentation?</i>	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

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.

		Register for the year under review was considered and adopted by full Council at its meeting of 17 th May 2023, and then documented on the published edition with a review date of 5 th June 2024.
<i>Is there evidence that risks are being identified and managed?</i>	YES	Council is aware that risk assessment needs to focus on the safety of the council's assets and in particular its money. There is evidence that the council has taken action to identify and assess those risks and has considered what actions or decisions it needs to take during the year to manage in order to avoid financial or reputational consequences.
<i>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?</i>	YES	Council has insurance in place under a specialist policy for local councils with Clear Council with the policy schedule commencing 01 st October 2023 which shows core cover for the following: Public/Products Liability £10m; Employers Liability £10m and Fidelity Guarantee of £50k. At renewal, Council entered into a 3 year long term agreement. Council noted at its meeting of full council held 6 th September 2023 that it delegated authority to the Finance & Governance Committee to review and chose an appropriate insurer. Council considered three different companies choosing Clear Councils, as documented at its meeting held 1 st November 2023. COMMENT: Following the recommendation from the internal auditor at the last review, council gave consideration to increasing the fidelity guarantee in place at the time. On investigation council found some insurers were unwilling to cover a higher fidelity level, so council assessed the risks and determined it acceptable to keep the set level which is now acceptable and inline with recommendations.
<i>Evidence that internal controls are documented and regularly reviewed⁴</i>	YES	At the meeting of 12 th July 2023, 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

⁴ Accounts and Audit Regulations

		internal control arrangements were efficient and effective to address the risks associated with the management of public finances.
<i>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 appointment⁵</i>	YES	In accordance with the Accounts and Audit Regulations 2015, the Parish Council formally reviewed the scope and effectiveness of its internal audit arrangements, evidence of which is contained within its Internal Control Statement as adopted on 17 th May 2023.
Additional comments:		

⁵ Practitioners Guide

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
<i>Verify that budget has been properly prepared and agreed</i>	YES	The budget for the year 2023/2024 was recommended by the Finance & Governance Committee and approved at the Council meeting of 11 th January 2023 following a thorough review of the proposals.
<i>Verify that the precept amount has been agreed in full Council and clearly minuted</i>	YES	The precept was set at £151,154 for 2023/2024, as confirmed at the above meeting. It was noted that as the council's precept exceeds £142,000, the council needed to provide East Suffolk Council with an A5 double sided leaflet to outline the council's budget and expenditure.
<i>Regular reporting of expenditure and variances from budget</i>	Partly Met	The minutes evidence that Council carried out a budget review at a Finance & Governance meeting held 28 th June 2023. COMMENT: The Deputy Clerk advised that due to a change in accounting software the normal reports were not available for the majority of the year under review. Council is advised to consider either implementing, in accordance with its own Standing Order 17c a quarterly statement showing evidence of comparisons between budgeted and actual income and expenditure or amend Standing Order 17c to reflect the frequency with which budget monitoring exercises are carried out. Although it is expected now system is fully operational it will return to producing reports on the required basis.

<i>Reserves held – general and earmarked</i> ⁶	YES	The Council, as at year-end, had Earmarked Reserves totalling £140,941.23 with the balance being General Reserves of £19,938.48.
<i>Additional comments:</i>		

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

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
<i>Is income properly recorded and promptly banked?</i>	YES	Income is recorded in accordance with Council’s Financial Regulations. A number of items of income were cross checked against cash book and bank statement and found to be in order and recorded in accordance with Proper Practices.
<i>Is income reported to full council?</i>	YES	Income received is reported to council.
<i>Does the precept recorded agree to the Council Tax Authority’s notification?</i>	YES	Council received precept in the sum of £151,154 from East Suffolk Council for the period under review as reported to full Council within its Financial Reports at its meetings in May and October 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.
<i>If appropriate, are CIL reporting schedules in accordance with the Regulations?⁷</i>	YES	During the year under review, Council received two CIL receipts totalling £4,035.38. The RFO has created an Earmarked Reserve for retained CIL balances.
<i>Is CIL income reported to the council?</i>	YES	CIL receipts received are reported to full Council within the financial reports submitted to full Council The Annual CIL Statement for 2023/2024 is still to be presented to full Council for approval.
<i>Does unspent CIL income form part of earmarked reserves?</i>	YES	The Annual CIL Statement for the year 2023/2024 has not yet been uploaded to the Council’s website.

⁷ Community Infrastructure Levy Regulations 2010

<i>Has an annual report been produced?</i>	NO	
<i>Has it been published on the authority's website?</i>	NO	
<i>Additional comments:</i>		

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
<i>Is petty cash in operation?</i>	YES	Council uses petty cash
<i>If appropriate, is there an adequate control system in place?</i>	YES	Council records petty cash in a separate account line to that of the general accounting system, providing clear and accurate information on payments and receipts. Supporting paperwork is held recording all transactions.
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
<i>Do all employees have contracts of employment?</i>	YES	Council had 7 employees on its payroll at the period end of 31 st 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.
<i>Has the Council approved salary paid?</i>	YES	All salary payments are presented to the Finance & Governance Committee for approval and payments made in accordance with Council’s own Financial Regulations. No employee is paid the national minimum wage.
<i>Minimum wage paid?</i>	N/A	
<i>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?</i>	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.
<i>Do salary payments include deductions for PAYE/NIC? Is PAYE/NIC paid promptly to HMRC?</i>	YES	The payroll function for the year under review is operated in accordance with HM Revenue and Customs guidelines and outsourced to Suffolk Association of Local Councils. Cross-checks were completed on three payments covering salary and PAYE were found to be in order. Deductions paid to HM Revenue and Customs during the year under review were made in accordance with timescales as set out in the regulations.

<i>Is there evidence that the Council is aware of its pension responsibilities? Are pension payments in operation?⁸</i>	YES	Council is aware of its pension responsibilities and payments are made in accordance with timescales agreed with the Council's Pension Provider. Council has 3 members of staff on the pension scheme.
<i>Have pension re-declaration duties been carried out</i>	YES	Council completed its re-declaration to the Pension Regulator dated 26 th July 2022.
<i>Are there any other payments (e.g.: expenses) and are these reasonable and approved by the Council?</i>	YES	There is a satisfactory expense system in place and all staff expenses claimed are approved in accordance with Council's Financial Regulations.
<i>Additional comments:</i>		

⁸ The Pension Regulator – [website click here](#)

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
<i>Does the Council maintain a register of material assets it owns and manage this in accordance with proper practices?⁹</i>	YES	The Asset Register, as provided to the Internal Auditor details those items listed under insurance and within the Parish Council remit for maintenance and ownership at a declared value of £505,448 dated 31 st March 2024. Council is mindful of the guidance within the Governance and Accountability for Smaller Authorities in England March 2022 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.
<i>Is the value of the assets included? (Note value for insurance purposes may differ)</i>	YES	Records of deeds, articles, land registry title number were not reviewed during the internal audit which was carried out via remote means.
<i>Are records of deeds, articles, land registry title number available?</i>	N/A	
<i>Are copies of licences or leases available for assets sited at third party property?</i>	N/A	Council did not provide information on and assets sited at a third-party property.
<i>Is the asset register up to date and reviewed annually?</i>	YES	The Asset Register was considered by council at a meeting held 17 th May 2023, and 5 th June 2024.

⁹ Practitioners Guide

<i>Cross checking of insurance cover</i>	YES	Having just renewed its insurance policy, council ensured appropriate cover for its assets.
<i>Additional comments:</i>		

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
<i>Is bank reconciliation regularly completed and reconciled with the cash book and cover every account?</i>	YES	An end of year bank reconciliation was provided to the Internal Auditor which reconciled with the cashbook and covered every account. Balances across the council accounts are reported at meetings of the Finance and Governance Committee. COMMENT: The Deputy Clerk advised that due to a change in accounting software the normal reports were not available for distribution for the majority of the year under review. Council is advised to consider either implementing, in accordance with its own Standing Order 17c a quarterly statement showing evidence of bank reconciliations for all accounts or to amend Section 2.2 of its Financial Regulations to reflect the frequency with which reconciliations are carried out. Although it is expected now system is fully operational it will return to producing reports on the required basis.
<i>Do bank balances agree with bank statements?</i>	YES	Bank balances agree with period end statements and, as at year end 31 st March 2024 the balance across the council's accounts stood at £160,879.71 as recorded in the Draft Statement of Accounts and on the Year-end Bank Reconciliation.
<i>Is there regular reporting of bank balances at Council meetings?</i>	YES	Balances across the Council's accounts are reported at each meeting of the Finance & Governance Committee.

Section 11 – year end procedures		
Evidence		<i>Internal auditor commentary</i>
<i>Are appropriate accounting procedures used?</i>	YES	Accounts are produced on a receipts payments basis and all found to be in order. As detailed in Section 1, Council's gross income and expenditure level is above the threshold of £200,000 and has been for two continuous years. Council should be aware that if it continues to operate above this limit for the coming year, it will need to convert to reporting on an income and expenditure basis with adjustments at year end. In accordance with current rules to ensure that there is a like for like comparison between the two years, the prior year would need to be restated.
<i>Financial trail from records to presented accounts</i>	YES	The end of year accounts and supporting documentation were well presented for the internal auditor review.
<i>Has the appropriate end of year AGAR¹⁰ documents been completed?</i>	YES	As Council is a smaller authority with gross income and expenditure exceeding £25,000 it will be required to complete Part 3 of the AGAR. COMMENT: Council did not complete boxes 11a or 11b in the 2022/2023 Annual Return Section 2 Accounting Statements.
<i>Did the Council meet the exemption criteria and correctly declared itself exempt?</i>	N/A	As the Parish Council had gross income and expenditure exceeding £25,000 it was not able to declare itself exempt from a limited assurance review.
<i>During the period in question did the small authority demonstrate that it correctly provided for the exercise of</i>	NO	During the review of the publication requirements of the Accounts and Audit Regulations 2015, it is noted that, for the year 2022-2023, the RFO set the

¹⁰ Annual Governance & Accountability Return (AGAR)

<p><i>public right as required by the Accounts and Audit Regulations 2015?</i></p>		<p>dates for the inspection of the Council’s accounts and associated documents as Monday 3rd June to Friday 11th August 2023 with the date of the notice being 26th June 2023 as published on the council website. The Council did not approve Section 1 and 2 of the 2022/2023 AGAR until its meeting held 12th July 2023.</p> <p>It is assumed the commencement date was written incorrectly and should have been July 2023 in accordance with its minutes from the meeting held 12th July 2023, however was still prior to Section 2 being approved by council.</p> <p>RECOMMENDATION: As a result, the smaller authority must answer ‘No’ to Assertion 4 of the Annual Governance Statement for 2023/24 and ensure that it makes proper provision for the exercise of public rights during 2024/25.</p> <p>COMMENT: It is noted an extension was requested to PKF for submission of the council documents following a delay in the closing of accounts for 2022/2023 which was approved.</p>
<p><i>Have the publication requirements been met in accordance with the Regulations?¹¹</i></p>	<p><i>Partly Met</i></p>	<p>In accordance with the Accounts and Audit Regulations 2015, as a smaller authority with either income or expenditure exceeding £25,000 but not exceeding £6.5 million, it is confirmed that the Council did comply with the requirements of the Accounts and Audit Regulations 2015 for the year ending 31st March 2023 as it published the following on its website:</p> <p>Annual Internal Audit Section 1 - Annual Governance Statement Section 2 - Accounting Statements Section 3 - The External Auditor Report and Certificate Notice of the period for the exercise of public rights and other information required by Regulation 15(2) Accounts and Audit Regulations 2015.</p> <p>COMMENT: As detailed above.</p>
<p>Additional comments:</p>		

¹¹ Accounts and Audit Regulations 2015

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		<i>Internal auditor commentary</i>
<i>Has the Council considered the previous internal audit report?</i>	YES	The Internal Audit Report for the period ending 31 st March 2023 was formally considered at the meeting held 6 th September 2023.
<i>Has appropriate action been taken regarding the recommendations raised?</i>	YES	Council gave consideration to the recommendations made within the internal audit report.
<i>Has the Council confirmed the appointment of an internal auditor?</i>	YES	SALC were appointed as the Council’s internal auditors for the year ending 31 st March 2024 at the meeting of 27 th March 2024.
<i>Additional comments:</i>		

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		<i>Internal auditor commentary</i>
<i>Has the Council considered the previous external audit report?¹²</i>	YES	Council recorded at its meeting of council held 11 th October 2023 that the External Audit and Report has been received and circulated. They were considered at the Finance & Governance committee who recommend approval of the Audit and Report. The items raised in the audit were noted however these were procedural rather than an issue with any of the council's accounts or records. It has also been noted that the council had taken note of the External Auditors report from the previous year and had put in place structures to prevent re-occurrence however three factors which were both unforeseeable and beyond the council's control had caused a repetition of the same procedural error.
<i>Has appropriate action been taken regarding the comments raised?</i>	Not confirmed	The Internal Auditor was not provided with the 2023/2024 Annual Return at the time of audit, but it was noted this was to be approved by council at a meeting held Tuesday 18 th June 2024, after which it is expected the Exercise of Public Rights will be published.
Additional comments:		

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.*

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		<i>Internal auditor commentary</i>
<i>Was the annual meeting held in accordance with legislation?</i> ¹³	NO	<p>Council held its Annual Meeting of the Parish Council on 17th May 2023. The third item on the agenda was the election of the Chairman, following 1) Housekeeping by the Clerk and 2) Swearing of the Oath by Officers at which all councillors signed their declaration of acceptance of office witnessed by the clerk.</p> <p>RECOMMENDATION: Council’s Standing Orders 5. Ordinary Council Meetings states:</p> <p>E: The first business conducted at the annual meeting of the Council shall be the election of the Chair and Vice-Chair (if there is one) of the Council.</p> <p>J: Following the election of the Chair of the Council and Vice-Chair (if there is one) of the Council at the annual meeting, the business shall include:</p> <ul style="list-style-type: none"> i. In an election year, delivery by the Chair of the Council and councillors of their acceptance of office forms unless the Council resolves for their forms to be done at a later date. <p>Council should have first elected the Chair and then completed its Declaration of Acceptance of Office forms.</p>
<i>Is there evidence that Minutes are administered in accordance with legislation?</i> ¹⁴	YES	<p>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.</p>

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

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

<i>Is there a list of members' interests held?</i>	YES	Evidence was seen on the East Suffolk Council website the Register of Interests for all current Parish Councillors with a direct link from the Council's own website.
<i>Does the Council have any Trustee responsibilities and if so, are these clearly identified in a Trust Document?</i>	YES	The compass suite was a charity where the council did have a councillor as a trustee. The money relating to this charity has been released and a meeting is going to be set up so that the trustees can formally resign and the trust will be wound down.
<i>Has the Transparency Code been correctly applied, and information published in accordance with current legislation?</i>	N/A	<p>Whilst the Local Government Transparency Code 2015 applies to local authorities, including parish councils with annual income or expenditure (whichever is the higher) over £200,000, Councils with income over £25,000 but under £200,000 are expected (but are not legally required to do so) to follow its recommendations.</p> <p>COMMENT: Council is working towards ensuring compliancy with the requirements of publishing the following data on its website in accordance with the required timescales: Publish quarterly: Individual items of expenditure that exceed £500 (currently published on an annual basis); Government Procurement Card transactions; Invitations to tender for contracts over £5,000; Details of contracts that exceed £5,000. Publish annually: Details of all land and building assets; Grants to Voluntary, Community and Social Enterprise Organisations; Organisational Chart.</p>
<i>Has the Council registered with the Information Commissioner's Office (ICO)?¹⁵</i>	YES	<p>The Council is correctly registered with the Information Commissioner's Office (ICO) as a Data Controller in accordance with the Data Protection Legislation. Reference: ZA287505 Expiry: 16th October 2024</p>
<i>Is the Council compliant with the General Data Protection Regulation requirements?</i>	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

¹⁵ Data Protection Act 2018

		of the collecting, using and protecting of personal information in accordance with the provisions of the GDPR.
<i>Has the Council published a website accessibility statement on their website in line with Regulations?¹⁶</i>	YES	Council has published a website accessibility statement 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.
<i>Does the council have official email addresses for correspondence?¹⁷</i>	YES	Council operates with a .org.uk email address for the Clerk and Councillors, thereby complying with GDPR and demonstrating that the council has an official status thereby building trust, credibility and authenticity.
<i>Is there evidence that electronic files are backed up?</i>	YES	The council Risk Assessment details that metal filing cabinets are used, with computers and software systems backed up as appropriate.
<i>Do terms of reference exist for all committees and is there evidence these are regularly reviewed?</i>	YES	Terms of References for Committees are reviewed on an annual basis.
Additional comments:		

Signed: ***J. Lawes***

Date of Internal Audit Visit: N/A

Date of Internal Audit Report: Thursday 13th June 2024

On behalf of Suffolk Association of Local Councils

¹⁶ Website Accessibility Regulations 2018

¹⁷ Practitioners Guide