

Internal Audit Report for Woodbridge for the year ending 31 March 2024

Clerk	Greg Diaper	
RFO (if different)	-	
Chairperson	Councillor Eamonn O’Nolan	
	Annual Budget	Actual to 30.09.23
Precept	£425,088	£425,088
Other Income	£ 50,942	£ 63,945
Expenditure	£476,030	£240,592
General reserves	£299,338 (at period end)	
Earmarked reserves	£480,937	
Audit type	Interim	
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		<i>Internal auditor commentary</i>
<i>Is the ledger maintained and up to date?</i>	Yes	The council continues with the use of the Omega Accounting Package which is a purpose-built accounting system for town and parish councils and is able to produce reports on an Income and Expenditure basis.
<i>Is the cash book up to date and regularly verified?</i>	Yes	Council follows Proper Practices in ensuring that the Council’s accounting procedure gives a more 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 used the full suite of accounting and reporting tools associated with the package to produce clear financial management information to the Council on a monthly basis.
<i>Is the arithmetic correct?</i>	Yes	Spot checks were made and were found to be correct. Journal entries between cost codes for the period under review were seen and verified. The RFO has ensured that the cash book 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.
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		<i>Internal auditor commentary</i>
Have Standing Orders been adopted, up to date and reviewed annually?	Yes	The Standing Orders, as seen on the Parish Council’s website, show an adopted date of 28 th June 2023, and are based on the latest model published by the National Association of Local Councils (2018). As such they are

		compliant with legislation and have been adapted (where they are not statutory requirements) to ensure that they are relevant to the Parish Council. <i>Comment: Council is aware of the requirement to ensure that the Standing Orders are fully tailored to the council and that in accordance with proper practices they need to be regularly reviewed, fit for purpose and adhered to.</i>
Are Financial Regulations up to date and reviewed annually?	Yes	Financial Regulations (FR), as seen on the Council's website show a review date of 28 th June 2023 and are based on the NALC Model Financial Regulations 2019 with provisions included as outlined under LTN 87 - Procurement – March 2022. Amendments have been made to reflect the values as stated within the Procurement Thresholds amendments (SI 2022/139) of the Public Contracts (Amendment) Regulations 2022.
Has the Council properly tailored the Financial Regulations?	Yes	The Council's Financial Regulations have been fully tailored to the Town 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. This was confirmed at the meeting of 5 th October 2021 and is also reflected under FR 1.8.
Additional comments:		
<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>		
Evidence		<i>Internal auditor commentary</i>
Is there supporting paperwork for payments with appropriate authorisation?	Yes	Council continues with the practice of presenting full Council with a list of all payments due for settlement for formal approval with such expenditure being

¹ Section 151 Local Government Act 1972 (d)

		shown in the minutes and evidence of such paperwork submitted with the agendas and retained within the files submitted for internal audit. Spot checks on a sample of payments were cross checked against the cashbook, payment settlement documentation and minutes and found to be in order and correctly approved in accordance with Council's own Financial Regulations.
Where applicable, are internet banking transactions properly recorded and approved?	Yes	<p>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 Internal Control Statement details the procedure to be followed for such payments. As stated in previous internal audit reports, the accounts settled via internet banking can be readily tracked through a comprehensive audit trail.</p> <p>At the meeting of 16th May 2023, Council in accordance with sections 6.8 to 6.9 of its own Financial Regulations, agreed the use of variable direct debit and standing order where appropriate.</p> <p><i>Comment: council continues with the process of ensuring that such payments made between meetings is received and approved at each relevant meeting and that evidence is retained as to those members authorising such payments.</i></p>
Is VAT correctly identified, recorded, and claimed within time limits?	Yes	VAT is identified within the Omega Accounting system with reclaims submitted at agreed intervals. The reclaim for Quarter 1 in the sum of £5,347.85 (outputs £2,140.26 versus inputs £7,488.11) was submitted in July 2023 and settled on 14 th July 2023. The reclaim for Quarter 2 in the sum of £14,713.66 (outputs £1082.69 versus inputs £16,516.35) was submitted on 5 th October 2023. The VAT control account for the period-end (30 th September 2023) stands at £14,713.66 and has been correctly recorded within the Council's balance sheet.
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 16 th May 2023, to use the power until the next relevant Annual Council Meeting (May 2027).

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?	N/A	Council has no such 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 identified by the council as associated with the functioning of a smaller authority. The register provides evidence of the measures that the council will undertake to mitigate such risks <i>Comment: following a review of the risk assessment files submitted for internal audit it is evident that Council has recognised that, having identified and assessed the risks associated with the functioning of the smaller authority, such documentation should be reviewed not less than annually by members and that risk management should be a standing item at full Council or committee meetings.</i>
<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 its assets and in particular its money. There is evidence that overall 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.

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 £8.82 per elector) on purposes for the direct benefit of its area, or part of its area, or all or some of its inhabitants.

		<i>Comment: council is aware that there is a requirement to ensure that there are appropriate arrangements in place for monitoring play areas and open spaces and that reviews undertaken should be by appropriately qualified external inspectors or officers or members.</i>
<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	<p>Council has insurance in place under a specialist policy for local councils with Zurich Municipal which shows core cover for the following: Public liability: £15million; Product Liability: £10million; Hirer's Liability £2million; Employer's Liability: £10million and Fidelity Guarantee of £1million. Council is in a Long-Term Agreement until 1st November 2023.</p> <p>During the year, being 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, annual reviews of the Council's insurance were undertaken prior to renewal. The minutes of 16th May 2023 evidence that council confirmed that it had appropriate arrangements in place for insurance cover in respect of all insurable risks.</p> <p><i>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).</i></p>
<i>Evidence that internal controls are documented and regularly reviewed⁴</i>	Yes	<p>At the meeting of 22nd November 2022, council confirmed that the financial and management systems of the council were sound and adequate and internal control arrangements were efficient and effective to address the risks associated with the management of public finances.</p> <p><i>Comment: in accordance with Regulation 6 of the Accounts and Audit Regulations 2015, it is understood that council will carry out a financial year review of the effectiveness of the system of internal control prior to year-end.</i></p>
<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	<p>In accordance with the Accounts and Audit Regulations 2015, the Parish Council formally reviewed the scope and effectiveness of its internal audit arrangements at the meeting of 16th May 2023.</p> <p><i>Comment: the review of the terms of reference and effectiveness of internal audit are demonstration that Council has understood that the role of internal</i></p>

⁴ Accounts and Audit Regulations

⁵ Practitioners Guide

		<i>audit is to evaluate and report on the adequacy of the system on internal control.</i>
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
<i>Verify that budget has been properly prepared and agreed</i>	Yes	At its meeting of 24 th January 2023, full Council agreed to set a revenue budget tin the sum of £476,030 to be funded from the precept and known funding streams. <i>Comment: for clarity and transparency Council has ensured that the minutes show the actual budget figures being approved so that there is clarity on all aspects of the budget, precept and implications for Band D Council Tax.</i>
<i>Verify that the precept amount has been agreed in full Council and clearly minuted</i>	Yes	Full Council at its meeting of 24 th January 2023, approved the precept to be levied on East Suffolk Council in the sum of £425,088 which would result in a 4.9% increase over that set for 2022-2023. The minutes demonstrate the implications that this would have on a Band D property.
<i>Regular reporting of expenditure and variances from budget</i>	Yes	Within the financial reporting structure operated by the Council, detailed reports summarising the Council’s receipts and payments for the period, the Council’s aggregate receipts and payment for the year to date and balances held is submitted to full Council and resolved for adoption. This includes a comparison with the budget for the financial year. Virements between budgets are approved in accordance with Council’s own Financial Regulations and Council is aware that a virement from reserves into the revenue budget may only be made following a resolution of the Council, or duly delegated committee.
<i>Reserves held – general and earmarked⁶</i>	Yes	The Council, as at period-end had general reserves totalling £299,338 and earmarked reserves totalling £480,937.

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

		<i>Comment: the minutes of the meeting of 27th September 2023 confirm that Council is progressing work on a Reserves Policy which should be used to assist council in determining the level of reserves that are appropriate to the council given its size, situations, risks and budget thereby ensuring that an adopted level is maintained.</i>
Additional comments: Council continues to show comprehensive evidence of having followed the recommended key stages as to the budgetary process for the year.		
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	<p>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. Council's accounting records contain all day-to-day entries of all sums of money received. Spot checks on further items paid during the year under BACS / Direct Credit into the Council's Accounts were cross checked against cashbook, bank statements and invoices raised by the town council. All were found to be in order with a clear underlying audit trail.</p> <p>The outstanding sales ledger invoices for the period ending 30th September 2023 was seen and verified with explanations given for any debts older than a couple of months. It was confirmed that there were no matters which gave rise for concern.</p> <p><i>Comment: Council is aware that Proper Guidance states that uncollectible amounts, including bad debts, should only be written off with the approval of members, or under delegated authority by the RFO and that such approval should be shown in the accounting records.</i></p>
<i>Is income reported to full council?</i>	Yes	<p>Income received is reported within the financial reports summarizing the Council's receipts and payments as submitted to full Council.</p> <p>During the period under review, Council received income from a number of identified sources all of which was banked intact with the transactions</p>

		<p>identified within the accounting system operated by the RFO. In accordance with Financial Regulation 9.3, Council continues to review all fees and charges annually, with increases as deemed appropriate, following a report as submitted by the Clerk. The meeting of the Finance Committee of 27th September 2023 approved the rental charges that were to be levied for the year 1st April 2024 to 31st March 2025.</p> <p><i>Comment: in accordance with proper practices, Council has ensured that there are appropriate control procedures in place along with documentation to provide a clear audit trail through to invoicing and recovery of all such income.</i></p>
<i>Does the precept recorded agree to the Council Tax Authority's notification?</i>	Yes	Council received total precept in the sum of £425,088 from East Suffolk District Council for the period under review. 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 CIL receipts totalling £4008.96. The RFO provides Council with a comprehensive report prior to agreement to move CIL funds into the earmarked reserves for known projects.
<i>Is CIL income reported to the council?</i>	Yes	CIL receipts received are reported within the financial reports submitted to full Council.
<i>Does unspent CIL income form part of earmarked reserves?</i>	Yes	The CIL reserve and projects to be funded from the CIL reserve from part of the Council's overall Earmarked Reserves, in accordance with the Regulations.
<i>Has an annual report been produced?</i>	Yes	The Annual CIL Statement for the year ending 31 st March 2023 showing retained balances of £110,284.28 was available to view on the Council's website.
<i>Has it been published on the authority's website?</i>	Yes	The Annual CIL Statement for the year 2022 - 2023 has been uploaded onto the Council's website and has been signed by the Town Clerk and Deputy Town Clerk.
Additional comments:		

⁷ Community Infrastructure Levy Regulations 2010

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
	Yes	<p>Petty cash reconciliations are conducted on a regular basis and are entered into the petty cash book. The transaction records were reviewed during the internal audit review. A balance of £46.44 is to be reported as part of the period-end balances at the meeting of 18th October 2023.</p> <p><i>Comment: whilst the internal audit has been carried out remotely in accordance with the Council's instructions, the balance held, and petty cash transactions as uploaded to the council's financial system were reviewed and verified.</i></p> <p>The float maintained appears to be adequate to meet small items of expenditure and is reimbursed on an appropriate frequency.</p> <p><i>Comment: the float maintained, and system used is in accordance with the Internal Control Statement which covers the authorisation of approved persons being permitted to withdraw funds provided that they are for petty cash purposes only. Such withdrawals are to be made in accordance with FR6.21</i></p>
<p><i>If appropriate, is there an adequate control system in place?</i></p>	Yes	<p>The RFO has ensured that there is appropriate supporting documentation for the transactions undertaken and that all expenditure is accounted for. In accordance with proper practices, the RFO ensures that a complete record of the sums involved in all transactions is maintained, including VAT records and regular reconciliations are performed and reported at each relevant meeting.</p>
<p>Additional comments:</p>		
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 5 employees on its payroll at the period end of 30 th September 2023. It is confirmed that all members of Staff have contracts of employment. Following a recruitment process, the minutes of the Staffing Committee of 20 th September 2023 resolved to accept the recommendation from the interview panel and recommend to full council the applicant to be offered the vacant position of Maintenance Officer to the Council.
<i>Has the Council approved salary paid?</i>	Yes	All salary payments are presented to full Council for approval and payment is made in accordance with Council's Financial Regulations.
<i>Minimum wage paid?</i>	No	No employees are paid the national minimum wage.
<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	Council operates with a Staffing Committee with delegated powers to monitor all staff expenditure and review and recommend changes to employee terms and conditions of employment including rates of pay. The updated job descriptions for the Council's Administrative Assistant and Deputy Town Clerk (as approved at the full council meeting of 18 th April 2023) along with contractual increases in pay were implemented effective 1 st April 2023.
<i>Do salary payments include deductions for PAYE/NIC? Is PAYE/NIC paid promptly to HMRC?</i>	Yes	Council continues to use "Moneysoft" payroll software which is operated in accordance with HM Revenue and Customs guidelines. Cross-checks were completed on nine payments covering salary, PAYE and pension payment and all were found to be in order. Deductions paid to HM Revenue and Customs during the period under review were made in accordance with timescales as set out in the regulations. <i>Comment: 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>
<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 with four members of staff being members of the Local Government Pension scheme. Payments were made in accordance with timescales specified. It is confirmed that the

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

		council completed its re-declaration of compliance with The Pensions Regulator under the Pensions Act 2008 on 19 th July 2023.
<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.
Additional comments:		
<p>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.</p>		
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 viewed on the Council's website, is that which was approved at the meeting of full Council on 21 st March 2023. The opening balance of the asset register at 1 st April 2023 is noted as £897,467.02. <i>Comment: Council maintains a formal asset register which is routinely updated to allow for the recording of new acquisitions and / or disposals.</i>
<i>Is the value of the assets included? (Note value for insurance purposes may differ)</i>	Yes	Council continues to be 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.
<i>Are records of deeds, articles, land registry title number available?</i>	N/A	Records of deeds, articles, land registry title number were not reviewed during the internal audit review.
<i>Is the asset register up to date and reviewed annually?</i>	Yes	The asset register in the value of £897,467.02 was formally approved at the full Council meeting of 21 st March 2023 and it is confirmed that the values submitted on the Annual Governance and Accountability Return for Internal Audit reflect that as approved at that meeting. The minutes of the meeting of 16 th May 2023 demonstrate that council agreed to retain this figure as the basis of the asset register moving forward.

⁹ Practitioners Guide

<i>Cross checking of insurance cover</i>	Yes	All risks cover is in place on a banding scale to cover the Council's assets as listed within the schedule. Specific cover for specialised items is listed within the insurance document with Property Damage Insurance for Council owned Buildings and Land as identified within the Council's Asset Register.
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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	
<i>Is bank reconciliation regularly completed and reconciled with the cash book and cover every account?</i>	Yes	Bank reconciliations are completed on a regular basis and reconcile with the cash sheets. There is regular reporting of bank balances held within the detailed financial reports submitted to full Council.
<i>Do bank balances agree with bank statements?</i>	Yes	Bank balances agree with period end statements and, as at year end (30 th September 2023) the balance across the councils accounts stood at £766,603.08 as recorded in the period end statements and balance sheets.
<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 full Council. In accordance with Council's Internal Control Statement, the RFO has ensured that the Council is aware that, in accordance with proper practices, the bank reconciliation is a key tool for management as it assists with the regular monitoring of cash flows and therefore aids decision-making.

Additional comments:

Section 11 – year end procedures

Evidence	Internal auditor commentary	
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<i>Are appropriate accounting procedures used?</i>	Yes	The interim accounts as reviewed were produced on an income and expenditure basis, and all were found to be in order.
<i>Financial trail from records to presented accounts</i>	Yes	Debtors and creditors have been properly recorded. Council has ensured that its records detail the assets and liabilities of the authority including the asset and investment register and records of loans and other debts. There is a full audit trail from records to presented accounts with period-end balances agreeing with cash book and bank reconciliations: Assets: £17,804 VAT Account: £14,714 Bank Accounts: £766,603 less Liabilities: £18,846 Represented by: Total Reserves: £780,275
<i>Has the appropriate end of year AGAR¹⁰ documents been completed?</i>	N/A	This review is an interim and this matter will be reviewed during the annual audit process.
<i>Did the Council meet the exemption criteria and correctly declared itself exempt?</i>	Not applicable	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 public right as required by the Accounts and Audit Regulations 2015?</i>	Yes	Members approved the dates for the period of public rights and the publication of the unaudited Annual Governance and Accountability Return (AGAR) for the year ending 31 st March 2023 at the council meeting of 16 th May 2023. The internal auditor is able to confirm that the notice of the public rights was seen on the website and can confirm that the dates set were 5 th June to 14 th July 2023. <i>Comment: Council is advised that, to positively demonstrate that it has provided for the exercise of elector's rights and that the dates set are in accordance with the period specified within the Accounts and Audit Regulations 2015, it should not only publish the dates set but should also record in the minutes the agreed dates set.</i>

¹⁰ Annual Governance & Accountability Return (AGAR)

<p><i>Have the publication requirements been met in accordance with the Regulations?¹¹</i></p>	<p>Yes</p>	<p>The Internal Auditor is able to verify that the external auditor report and certificate along with the conclusion of the external audit have been published on the Council's website. Details as to how copies may be purchased have also been included.</p> <p><i>Comment: in order to comply with the Regulation 16 of the Accounts and Audit Regulations 2015, Council has demonstrated that it is aware that, as soon as it is reasonably practical after the conclusion of the audit, it should publish a statement saying that the audit has been concluded, giving the details of the public's rights of inspection under section 25 of the 2014 Act (Local Audit and Accountability Act 2014) and saying where and when those rights may be exercised.</i></p> <p>It is confirmed that the following, in respect of the year ending 31st March 2023, were seen on the council's 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><i>Comment: Council might wish to note that there is a requirement to ensure that Sections 1, 2 and 3 are published and remain available for public access for a period of not less than 5 years from the date of publication.</i></p>
<p>Additional comments:</p>		
<p>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.</p>		
<p>Evidence</p>	<p><i>Internal auditor commentary</i></p>	

¹¹ Accounts and Audit Regulations 2015

<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 and adopted by full Council at the meeting of 16 th May 2023.
<i>Has appropriate action been taken regarding the recommendations raised?</i>	Yes	There was one recommendation for Council to address: 1. Review of the provisions of the Transparency Code 2015. The minutes of the meeting of 16 th May 2023 confirm that the recommendation raised within the internal audit report would be undertaken prior to the next internal audit review. <i>Comment: 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 from the outcomes identified. (if applicable).</i>
<i>Has the Council confirmed the appointment of an internal auditor?</i>	Yes	SALC were re-appointed as the Council's internal auditors for the year ending 31 st March 2024 by full Council at the annual council meeting of 16 th May 2023. <i>Comment: Council has understood the requirement to ensure that it has a clear understanding of the roles and responsibilities for internal audit, audit planning and timing of visits, reporting requirements; access to information; period of engagement and remuneration.</i>
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		<i>Internal auditor commentary</i>
<i>Has the Council considered the previous external audit report?¹²</i>	Yes	At the meeting of full Council of 20 th September 2023, Council considered the report from the External Auditor for the year ending 31 st March 2023. <i>Comment: Council has noted Regulation 20 (in part) which states that the annual audit letter received from the auditor must be considered by the</i>

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.*

		<i>authority and published (including publication on the authority's website) and to permit copies to be purchased.</i>
<i>Has appropriate action been taken regarding the comments raised?</i>	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 and the explanatory note in relation to the management of charity funds was discussed.
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		<i>Internal auditor commentary</i>
<i>Was the annual meeting held in accordance with legislation?</i> ¹³	Yes	Council held its Annual Meeting of the Council at which the Mayor and other Officials were elected on 16 th May 2023 in accordance with legislation in place at that time.
<i>Is there evidence that Minutes are administered in accordance with legislation?</i> ¹⁴	Yes	<p>Council has ensured that under LGA 1972 schedule 12, paragraphs 41(1) and 44 the draft minutes of a meeting are formally approved (with any necessary amendments) at the next meeting. At each meeting, the Chair is given formal approval to sign the minutes. With the use of looseleaf minute books, Council has verified that the pages are consecutively numbered and initialled by the person signing the minutes at the time of signature (LGA 1972. Sch. 12, para 41(2)).</p> <p>Whilst the minutes show apologies noted (where applicable), it is not always apparent as to whether the Council formally recorded that it has approved the apologies submitted.</p> <p>Recommendation: Council is advised to review the provisions of s85 of the 1972 Act which states that “..if a member of a local authority fails throughout a period of six consecutive months from the date of</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

		<p>his last attendance to attend any meeting of the authority, he shall, unless the failure was due to some reason approved by the authority before the expiry of that period, cease to be a member of the authority." Council might wish to ensure that all absences are not merely recorded but approved by the Council thereby ensuring that the absence is not treated as unapproved. An accidental or unforeseen absence at a subsequent meeting could then lead to an unnecessary disqualification. Council might wish to consider the exclusion of members of the public for approval of councillors' absences as this matter could contain sensitive personal data which must be protected under the Data Protection Act. NALC LTN 5 provides further clarity on this matter including the good practice of seeking approval for an apology in writing.</p>
<p><i>Is there a list of members' interests held?</i></p>	<p>Yes</p>	<p>The Register of Interests for all serving Councillors was seen on the District Authority's website with a direct link from the Council's own website for all of the Council's members.</p>
<p><i>Does the Council have any Trustee responsibilities and if so, are these clearly identified in a Trust Document?</i></p>	<p>Yes</p>	<p>The Council is trustee of Elmhurst Park and Kingston Field, Charity Numbers 271063 and 304841 refer. The Council manages the charitable funds which are held within the council's accounts. The supplementary note to the accounts for 2022-2023 confirm that all income and expenditure is managed as part of the council's precept calculations and budget monitoring.</p>
<p><i>Has the Transparency Code been correctly applied, and information published in accordance with current legislation?</i></p>	<p>Yes</p>	<p>To ensure full compliance with the requirements of the Local Government Transparency Code 2015 (turnover exceeding £200,000), Council's Officers are working to maintain the Council's website so that it is updated regularly with the following information in accordance with the required timescales: Publication quarterly: Individual items of expenditure that exceed £500; Government Procurement Card transactions; Invitations to tender for contracts over £5,000; Details of contracts that exceed £5,000; Publication annually: Details of all land and building assets; Grants to Voluntary, Community and Social Enterprise Organisations; Organisational Chart</p>

		<i>Comment: this Code applies to local authorities, including parish councils with annual income or expenditure (whichever is the higher) over £200,000.</i>
<i>Has the Council registered with the Information Commissioner's Office (ICO)?¹⁵</i>	Yes	The Council is correctly registered with the Information Commissioner's Office (ICO) as a Data Controller in accordance with the Data Protection Legislation.
<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 reviewed its GDPR Policies during the year ensuring that at all times it is able to provide 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.
<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 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.
<i>Does the council have official email addresses for correspondence?¹⁷</i>	Yes	Council has a .GOV.UK domain for its council website which also supports a secure and digitally managed email system. <i>Comment: 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.</i>
<i>Is there evidence that electronic files are backed up?</i>	Yes	Council's day to day records are automatically daily backed-up to a cloud-based secure system.
<i>Do terms of reference exist for all committees and is there evidence these are regularly reviewed?</i>	Yes	Council reviewed the terms of reference for its standing committees at the meeting of 19 th July 2023. A copy of the terms of reference under which

¹⁵ Data Protection Act 2018

¹⁶ Website Accessibility Regulations 2018

¹⁷ Practitioners Guide

		the Council and its Committees operate can be seen on the Council's website.
<p>The Internal Auditor offers her appreciation for the assistance given by the Clerk and Financial Assistant to the Clerk in completing this audit.</p> <p>It is reconfirmed that overall Council has demonstrated effective governance arrangements and can show evidence of strong governance and good financial practice. The internal audit review, undertaken on the documentation provided via remote means, has provided evidence of the overall adequacy of the financial arrangements in place within the council.</p> <p>The examination of the period-end accounts and supporting documentation has further confirmed that the Responsible Financial Officer has satisfactory undertaken the administration of the Council's financial affairs and produced satisfactory financial management information to enable the Council to make well-informed decisions.</p> <p>Recommendations made are to enhance the systems in place as opposed to detract from the positive assurance that can be given as to the manner in which the Council's finances are managed.</p>		

Signed: *V S Waples*

Date of Interim Internal Audit Review: 19.10.2023

Date of Internal Audit Report: 20.10.2023

On behalf of Suffolk Association of Local Councils