

## Internal Audit Report for REYDON for the period ending 31 March 2025

Clerk	Ann Dobson
RFO (if different)	
Chairperson	Pam Cyprien
Precept	£29,010.92
Income	£138,239
Expenditure	£139,656
General reserves	£32,203.00
Earmarked reserves	£45,925.00
Audit type	Annual
Auditor name	<b>Karen Hall-Price</b>

### 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 2024/25 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 excel spreadsheets to produce reports on a Receipts and Payments basis and ensures that the financial transactions of the parish council are as accurate as reasonably practicable. All transactions are well referenced and provide an effective tool for the basis of the council’s internal controls. It provides data for analysis allowing the RFO to produce clear financial management reports.
<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	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.
<i>Is the cash book up to date and regularly verified?</i>	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.
<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.
<b>Additional comments:</b>		

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	<i>Standing Orders were reviewed on 17<sup>th</sup> March 2025 and are reviewed annually. Use of the Model Standing Orders (produced by NALC in 2022) are correct.</i>
Are Financial Regulations up to date and reviewed annually?	Yes	The Standing Orders, as seen on the Parish Council's website, were reviewed at the meeting in May 2024. Council's Orders, are based on the latest model published by the National Association of Local Councils (2018). 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. The amendments to review the changes to procurement thresholds of 18av and 18c advised in the 2024 <b>internal audit have been reviewed and corrected.</b>
Has the Council properly tailored the Financial Regulations?	Yes	The Council's Financial Regulations have been tailored to the Parish Council and were reviewed and updated at the 23 <sup>rd</sup> May 2024 meeting. Point 1.5 of the financial regulations have been tailored <b>but the [ ] brackets should really be removed.</b>
Has the Council appointed a Responsible Financial Officer (RFO)? <sup>1</sup>	Yes	In accordance with Section 151 of the Local Government Act 1972(d) (financial administration), the Council has appointed the Clerk to be responsible for the administration of the financial affairs of the Parish Council as confirmed within their financial regulations 1.5.
<b><i>Additional comments:</i></b>		

<sup>1</sup> Section 151 Local Government Act 1972 (d)

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.		
Evidence		<i>Internal auditor commentary</i>
Is there supporting paperwork for payments with appropriate authorisation?	Yes	A selection of random payments were cross checked against payment authorisation slips, cash book, bank statement and invoices and all were found to be recorded/ authorised in accordance with Proper Practices.
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. There is clear evidence of good practice - payments have been set up with dual authorisation in place during the financial year under review.
Is VAT correctly identified, recorded, and claimed within time limits?	Yes	VAT is identified in the cash book with the reclaim for the period 1 <sup>st</sup> January 2024 – 30 <sup>th</sup> November 2024 within the financial year 2024-2025 being calculated at £1,384.78 received at the bank on 10 <sup>th</sup> December 2024. The Clerk has identified there is a further amount not yet claimed of £14,992.57 and this will be claimed at the end of May 2025 following final receipts from all the large projects undertaken.
Has the Council adopted the General Power of Competence (GPOC) and is there evidence this is being applied correctly? <sup>2</sup>	N/A	The council has not confirmed eligibility criteria to enable it to exercise the GPOC and this has not been adopted by Council.

<sup>2</sup> Localism Act

Are payments under s.137 <sup>3</sup> separately recorded, minuted and is there evidence of direct benefit to electorate?	Yes	Payments for the year under review total £9,200.00 and are in accordance with statutory limits. It should be pointed out the RBL poppy wreath could also be paid using S137 powers. All payments made are deemed to be of benefit to those living in the area.
Where applicable, are payments of interest and principal sums in respect of loans paid in accordance with agreements?	N/A	Council does not have any such loans
<b>Additional comments:</b>		

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 Register documentation was provided for the purpose of the internal audit but <b>is not published on the council website as far as the internal auditor could see</b> . It does provide 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 Registers for the year under review were recorded as being considered by the Parish Council at a public meeting of the Parish Council on 24 <sup>th</sup> May 2024 and are reviewed annually.
<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 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 and has considered what actions or decisions it needs to take during the year in order to avoid financial or reputational consequences.

<sup>3</sup> 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 £10.81 per elector) on purposes for the direct benefit of its area, or part of its area, or all or some of its inhabitants.

<p><i>Does the Council have appropriate and adequate insurance cover in place for employment, public liability and fidelity guarantee <b>and</b> has been reviewed on an annual basis?</i></p>	<p>Yes</p>	<p>Council has insurance in place under a Charity and Community (Essential) policy with Ansvr insurance. Core cover for the council’s insurance policy is shown as: Public liability: £10million; Public/Products Liability: £10million and Fidelity Guarantee of £100 thousand. 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. Which was approved at the meeting of 19<sup>th</sup> September 2024.</p>
<p><i>Evidence that internal controls are documented and regularly reviewed<sup>4</sup></i></p>	<p>Yes</p>	<p>At the meeting of 12<sup>th</sup> December 2024 the internal control statement was reviewed and agreed in accordance with Regulation 6 of the Accounts and Audit Regulations 2015, confirming 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>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<sup>5</sup></i></p>	<p>No</p>	<p>There is no separate minute to confirm that the parish council formally reviewed the scope and effectiveness of its internal audit arrangements.  <b>Recommendation: Council, in accordance with the Accounts and Audit Regulation 2015, 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. This was a recommendation from the previous financial audit that is still outstanding</b> It is noted within the parish council minutes of 23<sup>rd</sup> May 2024 meeting it is recorded that the internal audit report was reviewed and approved but not the review of the effectiveness prior to the appointment of the internal auditor for the next financial year.</p>

<sup>4</sup> Accounts and Audit Regulations

<sup>5</sup> 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 / <b>Partly</b>	<p>The budget for the year 2024/2025 was reviewed by the Parish Council and finalised at full council on 25th January 2024 meeting as seen on the website provided details on the budget was also available on the parish website.</p> <p>It was recommended as part of the previous years audit that the council is advised to evidence within the minutes the actual budget being set alongside the reasoning for such a budget thereby ensuring transparency in the budgetary process followed by the council. The amended budget is available on the website but this is still not reflected within the minutes.</p> <p><b>Recommended that the council evidences within its minutes at the time of approval of the budget and any amendments as they arise ensuring transparency in the budgetary process being following by the council in addition to the amended budget report available on the council’s website.</b></p>
<i>Verify that the precept amount has been agreed in full Council and clearly minuted</i>	Yes	<p>The precept for the year 2024-2025 was set at £29,010.92 to be paid in 2 instalments, as confirmed at the 23<sup>rd</sup> November 2023 meeting and reported as submitted at the December 2023 meeting. It was noted by the auditor that the amount requested was <b>not detailed within the minutes or the implications for Band D Council Tax.</b> It is noted that an increase of 0% was agreed.</p> <p><b>It is noted that the precept for 2025-2026 was discussed at the meeting of 21<sup>st</sup> November 2024 and the council does record the detail of the precept being set and the impact that this would have on a</b></p>

		<b>Band D Council Tax dwelling taking into account the annual variances in the tax base for the parish, therefore actioning the internal auditors recommendation from 23-24 internal audit.</b>
<i>Regular reporting of expenditure and variances from budget</i>	Yes	The minutes evidence that Council carried out its regular reviews covering the budget for the current year with a review of income and expenditure against budget prior to each meeting.  <i>Comment: Council in accordance with its own standing order 17c produces regular statements showing evidence of comparisons between budgeted and actual income and expenditure to form the basis of approval for virements in accordance with Council's own Standing Orders.</i>
<i>Reserves held – general and earmarked<sup>6</sup></i>	Yes	The Council, as at year-end, had Earmarked Reserves totalling £45,925 with the balance being General Reserves of £32,203. <i>Council was advised at the previous audit 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. 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). <b>This has been actioned and is in line with the above statement for the current financial year under review.</b></i>
<b>Additional comments:</b>		

<b>Section 6 – income controls</b> The internal auditor will seek evidence to ensure income is correct managed – recorded, banked, and reported and test mechanisms used to achieve this.	
<b>Evidence</b>	Internal auditor commentary

<sup>6</sup> 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>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. The RFO has ensured that the accounting records contain all day-to-day entries of all sums of money received.
<i>Is income reported to full council?</i>	Yes	Income received is reported to full Council within the financial reports submitted to full Council. In accordance with the Council's financial regulations.
<i>Does the precept recorded agree to the Council Tax Authority's notification?</i>	Yes	Council received precept in the sum of £29,010.92 from East Suffolk District Council for the period under review as reported to full Council within its Financial Reports at its meetings in 2024. 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 received over two payments received to bank on 30th April 2024 and 27 <sup>th</sup> September 2024.
<i>If appropriate, are CIL reporting schedules in accordance with the Regulations?<sup>7</sup></i>	Yes	During the year under review, Council reported CIL expenditure as follows:
<i>Is CIL income reported to the council?</i>	Yes	£19,935.23 Starting Balance (Confirmed as ending balance on 23-24 return)
<i>Does unspent CIL income form part of earmarked reserves?</i>	Yes	£101,245.43 Income received
<i>Has an annual report been produced?</i>	Yes	£ 85,255.60 Expenditure
<i>Has it been published on the authority's website?</i>	Yes	£ 35,925.06 End Balance
		Council received one payment on April 2024 of £15,243.05 and a second payment on October 2024 of 86,002.38 during the period under review totalling £101,245.43 as recorded in its cashbook and evidenced in the bank statements. CIL income is reported to full council and forms part of the earmarked reserves. The Annual CIL Statement for the year has been uploaded onto the council's website.

<sup>7</sup> Community Infrastructure Levy Regulations 2010

		<i>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.</i>
<b>Additional comments:</b>		
<b>Section 7 – petty cash</b> 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.		
<b>Evidence</b>		Internal auditor commentary
<i>Is petty cash in operation?</i>	N/A	The Council does not operate a petty cash system.
<i>If appropriate, is there an adequate control system in place?</i>	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.
<b>Additional comments:</b>		

<b>Section 8 – Payroll controls</b> 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.		
<b>Evidence</b>		Internal auditor commentary
<i>Do all employees have contracts of employment?</i>	Yes	Council has 2 employees detailed on its payroll during the period under review. Employment contracts were not reviewed during the internal audit but the Clerk to the Council has confirmed that Contracts of Employment are in place.
<i>Has the Council approved salary paid?</i>	Yes	

<i>Minimum wage paid?</i>	Yes	All salary payments are presented to the Council for approval and payments made in accordance with Council's own Financial Regulations.  One employee is paid minimum wage which was reviewed when minimum wage rates were updated.
<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. Cross-checks were completed on payments made covering salary and PAYE all found to be in order. Any deductions paid to HM Revenue and Customs during the year under review were made in accordance with timescales as set out in the regulations. P60 were evidenced and verified and available for the purposes of the internal audit.
<i>Is there evidence that the Council is aware of its pension responsibilities? Are pension payments in operation?<sup>8</sup></i>	Yes	Council is aware of its pension responsibilities records its re-declaration date to the Pension Regulator of 3 <sup>rd</sup> March 2025 and is therefore not due for re-declaration until 2028.
<i>Have pension re-declaration duties been carried out</i>	Yes	As above.
<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.
<b>Additional comments:</b>		

<sup>8</sup> The Pension Regulator – [website click here](#)

<b>Section 9 – Asset control</b>		
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.		
<b>Evidence</b>		Internal auditor commentary
<i>Does the Council maintain a register of material assets it owns and manage this in accordance with proper practices?<sup>9</sup></i>	Yes	The Asset Register was available on the Council’s website. It is noted that the declared value for all assets at year-end (31.03.2025) is £181,321.73 and is entered in Section 2, Box 9 of the 2024/25 AGAR as £181,322.
<i>Is the value of the assets included? (Note value for insurance purposes may differ)</i>	Yes	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>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 which was carried out via remote means. The council states it has no public land or building assets.
<i>Are copies of licences or leases available for assets sited at third party property?</i>	N/A	Not covered as part of the internal audit
<i>Is the asset register up to date and reviewed annually?</i>	Yes	The Asset Register is stated within the full parish council minutes of the 20 <sup>th</sup> March 2025 to have been updated. The latest amended version is available on the parish council website available for public inspection and

<sup>9</sup> Practitioners Guide

		includes the latest and newest assets purchased within the financial year under review.
<i>Cross checking of insurance cover</i>	Yes	Council has insurance for its assets as specified on the insurance schedule. This was reviewed when the insurance was considered for renewal.
<b>Additional comments:</b>		
<b>Section 10 – bank reconciliation</b> 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.		
<b>Evidence</b>		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 monthly basis and reconcile with the cash sheets.
<i>Do bank balances agree with bank statements?</i>	Yes	Bank balances agree with period end statements and, as at year end (31 <sup>st</sup> March 2025) the balance across the council's accounts stood at a total of £78,128.58. reflecting Current Account balance of £601.00 and Business Account balance of £77,527.58 as recorded within the Statement of accounts provided for the audit.  The Agar confirms this figure rounded to £78,128
<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. Financial reports are submitted to the Council including a summary of income and expenditure in accordance with the Council's own Standing Orders.

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 and payments basis and all found to be in order.
<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. There is a full audit trail from records to presented accounts.
<i>Has the appropriate end of year AGAR<sup>10</sup> 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. The Accounting Statements have been produced in DRAFT form and will be submitted to council for approval at a later meeting. <b>Recommendation: Correctly note the disclosure of trust funds on section 2 of the AGAR as this should be N/A before submission.</b>
<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 this financial year.
<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	During the review of the publication requirements of the Accounts and Audit Regulations 2015, it is noted that, for the year 2023-2024, the Council provided for the exercise of elector's rights during Summer 2024. The RFO had set the dates for the inspection of the Council's accounts and associated documents as Monday 1st July to Friday 9th August 2024. This was recorded within the minutes of the 20 <sup>th</sup> June 2024 meeting but is not recorded the actual dates of the exercise of public rights within the minutes. It was available as a notice on the council's website.

<sup>10</sup> Annual Governance & Accountability Return (AGAR)

		<p><b>Recommendation: Note the dates for the notice of public exercise or rights within the minutes of the meeting they are agreed. Council ensured the correct form was available on the website.</b></p> <p><i>Public Inspection: All files were available to view on the council's website.</i></p>
<p><i>Have the publication requirements been met in accordance with the Regulations?<sup>11</sup></i></p>	<p>Yes</p>	<p>The Council has mostly 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 31<sup>st</sup> March 2024 and published the following on a public website:</p> <p>Notice of the period for the exercise of public rights              Annual Internal Audit Report – AGAR available - <b>SALC Report referred to but not available on the website.</b>              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.</p>
<p><b>Additional comments:</b></p>		

<p><b>Section 12 – internal audit</b>                  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><b>Evidence</b></p>		<p><i>Internal auditor commentary</i></p>
<p><i>Has the Council considered the previous internal audit report?</i></p>	<p>Yes</p>	<p>The Internal Audit Report for the period ending 31<sup>st</sup> March 2024 was formally considered and noted by full Council at the meeting of 23<sup>rd</sup> May 2024.</p>

<sup>11</sup> Accounts and Audit Regulations 2015

<p><i>Has appropriate action been taken regarding the recommendations raised?</i></p>	<p>Yes / <b>Partly</b></p>	<p>Recommendations raised from the internal audit were taken on board by the council and appropriate steps to address most of the recommendations have been made.</p> <ul style="list-style-type: none"> <li>• <b>There is no separate minute to confirm that the parish council formally reviewed the scope and effectiveness of its internal audit arrangements. Still Outstanding.</b></li> <li>• <b>Council was advised to evidence within the minutes the actual budget being set alongside the reasoning for such a budget thereby ensuring transparency in the budgetary process followed by the council. Still outstanding.</b></li> <li>• <b>Review of powers used for the purposes of making all payments on behalf of the parish council. You only identify S137 within the cash book provided for the audit purposes.</b></li> </ul> <p><i>Recommendation 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 is advised 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.</i></p> <ul style="list-style-type: none"> <li>• External Auditor report and certificate was available on the parish council's website.</li> <li>• Agreed for a second signatory to be added to the councils banking at the January 2025 meeting – This is now implemented.</li> <li>• Adoption of a General Reserve Policy – Adopted 23<sup>rd</sup> May 2024.</li> <li>• Reviewed the level of general reserves held.</li> <li>• Publication of a Website Accessibility Statement is now available on the council's website and was adopted at the 23<sup>rd</sup> May 2024 meeting of the Parish Council.</li> <li>• Record the detail of the precept of the precept being set and the impact that this would have on a Band D Council Tax dwelling</li> </ul>
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		taking into account the annual variances in the tax base for the parish. This has been evidenced for the precept set for 2025-2026 therefore actioned.
<p><i>Has the Council confirmed the appointment of an internal auditor?</i>  <i>Has the letter of engagement been approved by full council?</i></p>	<p><b>Partly / Not Officially</b></p>	<p>It is noted that the parish council received the letter of engagement to appoint SALC as the internal auditor for the financial year 2024-2025 - Received by email on 25<sup>th</sup> February 2025 but this is not documented / recorded within the parish council minutes. It is noted within the minutes that the internal audit is scheduled for w/c 28<sup>th</sup> April but is not stated that SALC are the appointed internal auditors.</p> <p><b>Recommendation: Record within the minutes in the run up to the year-end / budget and precept discussions that the council is happy to appoint the internal auditor of their choice (SALC or another) for the next financial year under review.</b></p>
<p><b>Additional comments:</b></p>		

<p><b>Section 13 – external audit for the period under review</b>                  The internal auditor will revisit the external audit so that previous weaknesses and recommendations can be considered.</p>		
Evidence		<i>Internal auditor commentary</i>
<p><i>Has the Council considered the previous external audit report?<sup>12</sup></i></p>	<p>Yes</p>	<p>The minutes confirm that the external audit was considered and uploaded onto the parish website for public view at the meeting of 15<sup>th</sup> August 2024, The external auditors report is available on the website within the document for conclusion of audit.</p>
<p><i>Has appropriate action been taken regarding the comments raised?</i></p>	<p>No</p>	<p>The recommendations provided within the previous audit and the external audit have not all been addressed and have been raised again as part of</p>

<sup>12</sup> 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.

		<p>this years financial internal audit specifically the weakness in relation to reviewing the effectiveness of the internal audit conducted and recording of the budget / precept figures within the minutes.</p> <p><b>External Auditor Report 23-24</b></p> <p>The smaller authority has confirmed that it has not complied with the governance Assertion in Section 1, Box 7, but it has provided the appointed auditor with an adequate explanation for non-compliance and details of the actions necessary to address weaknesses identified. These weaknesses were also referred to by the internal auditor in the Annual Internal Audit Report and their detailed report.</p> <p>In the completion of the Annual Internal Audit Report, and their detailed report, the internal auditor has also drawn attention to weaknesses in relation to reviewing the effectiveness of the internal audit conducted and recording the budget approval in the minutes. The smaller authority must ensure that action is taken to address these areas of weakness in a timely manner.</p> <p>In addition to the non compliance with Assertion 4, as notified in our prior year external auditor report, information has come to our attention from the internal auditor highlighting the fact that Sections 1 &amp; 2 of the 2022/23 AGAR and external auditor report and certificate were not published on the authority's website by the dates specified in the Accounts and Audit Regulations 2015.</p>
<p><b>Additional comments:</b></p>		
<p><b>Section 14 – additional information</b>                  The internal auditor will look for additional evidence of good record keeping, compliance with data protection regulations, freedom of information and website accessibility regulations.</p>		
<p><b>Evidence</b></p>		<p><i>Internal auditor commentary</i></p>
<p><i>Was the annual meeting held in accordance with legislation?</i><sup>13</sup></p>	<p><b>Partly</b></p>	<p>The Annual Meeting of the Parish Council was held on 23<sup>rd</sup> May 2024 and the first item on the agenda was not the election of Chairperson but the 3<sup>rd</sup> item on the agenda. It was technically the first order of official business however it is recommended that the council needs to ensure the first item on the agenda is the election of the Chair and Vice-Chair before moving to apologies received or noting who is present if this is to be a numbered item within the minutes. It is almost within accordance of legislation in place.</p>

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

<p><i>Is there evidence that Minutes are administered in accordance with legislation? <sup>14</sup></i></p>	<p><b>Yes / Partly</b></p>	<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> <p><b>It is noted that Council currently do not number their minute pages and might consider adding page numbers and a numbering system providing continuity throughout the year which would highlight any missing pages / meetings beginning with number 1 and continuing the numbering sequence throughout the year. Council could also add the year as part of the agenda numbering for easier identification. E.g. 01.25, 02.25 etc.</b></p> <p>At the meeting of 2<sup>nd</sup> October 2024 the Council reviewed the Model Councillor Code of Conduct 2020, as produced by the Local Government Association (LGA), for the purposes of discharging its duty to promote and maintain high standards of conduct within its area. A copy of the most recent Code of Conduct was available to view on the Council's parish website.</p>
<p><i>Is there a list of members' interests held?</i></p>	<p>Yes</p>	<p>Evidence was seen on the District Authority's Website the Register of Interests for all current Parish Councillors with a direct link from the Council's own website.</p>
<p><i>Does the Council have any Trustee responsibilities and if so, are these clearly identified in a Trust Document?</i></p>	<p>N/A</p>	<p>Council does not have any trustee responsibilities</p>
<p><i>Has the Transparency Code been correctly applied, and information published in accordance with current legislation?</i></p>	<p>Yes</p>	<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>

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

		<p>Comment: Council might wish to review its provisions and consider whether it might be able to work towards ensuring compliancy with the requirements of publishing the following data on its website in accordance with the required timescales:</p> <p>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.</p> <p>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)?<sup>15</sup></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. Certificate Registration number ZA346259 expiring 01/07/2025 is available on the parish council's website.
<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 of the collecting, using and protecting of personal information in accordance with the provisions of the GDPR. The council is building a suite of policies and procedures to help the council adequately handle personal data.
<i>Has the Council published a website accessibility statement on their website in line with Regulations?<sup>16</sup></i>	Yes	Council has accessibility tools on its website thereby allowing for the increased functionality of the council's website, along with 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 2.2 Standard under Regulation 8 of the Public Sector Bodies (Websites and Mobile Applications) (No. 2) Accessibility Regulations 2018.

<sup>15</sup> Data Protection Act 2018

<sup>16</sup> Website Accessibility Regulations 2018

<p><i>Does the council have official email addresses for correspondence?<sup>17</sup></i></p>	<p><b>No</b></p>	<p>Council operates with a gmail.com email address for the Clerk and Councillors were personal email addresses, thereby not complying with GDPR.</p> <p><b>Recommendation: Council might wish to consider comments raised in the Practitioners Guide to Proper Practices (effective March 2024) sections 5.210 to 5.219 on the importance of using .gov.uk domains for websites and emails. Council in particular should ensure that there is a separation of private and office business. Council should consider moving over to a gov.uk or org.uk email address demonstrating that the council has an official status thereby building trust, credibility and authenticity.</b></p>
<p><i>Is there evidence that electronic files are backed up?</i></p>	<p><b>Yes</b></p>	<p>Council uses a system whereby a back-up of the council's data is taken and stored appropriately.</p>
<p><i>Do terms of reference exist for all committees and is there evidence these are regularly reviewed?</i></p>	<p><b>No</b></p>	<p>The Council agreed at the 23<sup>rd</sup> May 2025 meeting to upgrade the Planning and Highways Groups to committees. There are no Terms of Reference available for these two committees.</p> <p><b>Recommendation: The council should create / hold terms of reference for any committees it is operating identifying the terms and responsibilities of each committee. These should also be available for public view on the parish website.</b></p>
<p><b>Additional comments:</b></p>		

Signed: *Karen Hall-Price*

Date of Internal Audit Report: 11<sup>th</sup> May 2025

On behalf of Suffolk Association of Local Councils

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<sup>17</sup> Practitioners Guide