

Internal Audit Report for Trimley St Martin for the year ending 31st March 2022

Clerk	Caroline Ley
RFO (if different)	
Chairperson	Yvonne Smart
Precept	£ 24,000.00
Income	£ 80,040.67
Expenditure	£ 25,475.50
General reserves	£ 16,113.42
Earmarked reserves	£113,534.10
Audit type	Annual
Auditor name	Victoria Waples

Introduction

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

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

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

Methodology

When conducting the audit, the internal auditor may:

- conduct a selective assessment of compliance with relevant procedures and controls expected to be in operation during the financial year in order to be able to complete the Annual Internal Audit Report 2020/21 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 the accounting package Scribe 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.
<i>Is the cash book up to date and regularly verified?</i>	Yes	The Clerk has ensured that the cashbook is the focus for day-to-day accounting and is aware that the balancing off and reconciliation to the bank statement remains the most important control over the accounting system. The cashbook is reconciled on a monthly 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.
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 Council reviewed its Standing Orders at its meeting of 4 th May 2021, a copy of which can be found on the Council’s website and are based on the Model Standing Orders produced by NALC in 2018 which take into account changes in legislation since those produced in 2013.

Are Financial Regulations up to date and reviewed annually?	Yes	The Council's Financial Regulations were reviewed at the same meeting, a copy of which can be found on the Council's website and are based on the Model Standing Orders produced by NALC in 2019.
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	The appointment of the Clerk as RFO, in accordance with Section 151 of the Local Government Act 1972(d) (financial administration), was confirmed at a meeting of full Council on 1 st June 2021.
Additional comments: <i>Comment: Council might wish to note that LTN87 – Procurement - has provided an update on the thresholds for procuring contracts. The amended values should be incorporated into the Council's Standing Orders and Financial Regulations at the next annual review.</i>		

<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 system whereby, at each full Council Meeting a list of all payments due for settlement is presented to the meeting with formal approval of such expenditure being shown in the minutes and evidence of such paperwork in the files submitted for internal audit. In accordance with Council's own Financial Regulation 6.6, cheques or payments made away from full Council meetings are reported to the council at the next convenient meeting.
Where applicable, are internet banking transactions properly recorded and approved?	Yes	Internet banking is operated in accordance with the Council's own Financial Regulations. Approval to use online banking as part of the

¹ Section 151 Local Government Act 1972 (d)

		<p>Councils' preferred method of the settlement of its finances was given at the meeting of 6th July 2021. Agreement was forthcoming as to which member should have access to authorise payments and two councillors were appointed to carry out internal control reviews of the schedule of payments against a sample of invoices chosen at random on a regular basis.</p> <p><i>Comment: whilst the Council has implemented the procedure whereby evidence is retained showing which Councillors authorised the release of the payment by having the relevant invoice signed by the members, there is no reference within the Council's Risk Assessment Documentation or Internal Control Statement for how such payments are to be made or the control procedures that should be in place when making payments using online banking. It is however noted that Council has adopted an Internet Banking Policy and reference should be made to this within the risk assessment documentation.</i></p>
Is VAT correctly identified, recorded, and claimed within time limits?	Yes	VAT is clearly identified in the cash book and the year-end position of £1,632.93 is verified in the cashbook. The claim for the period ending 31 st March 2021 as identified in the year-end accounts for that year in the sum of £3,218.89 was received during the year under review.
Has the Council adopted the General Power of Competence (GPOC) and is there evidence this is being applied correctly? ²	Yes	The Council is not using the General Power of Competence.
Are payments under s.137 ³ separately recorded, minuted and is there evidence of direct benefit to electorate?	Yes	The cashbook allows for the details of payments made under s137 to be clearly referenced in the cashbook and the RFO ensures that payments made are in accordance with the budget set with reference to the statutory limit for such expenditure. Expenditure for the year under review totalled £1500.00

² Localism Act

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 £8.41 per elector) on purposes for the direct benefit of its area, or part of its area, or all or some of its inhabitants.

Where applicable, are payments of interest and principal sums in respect of loans paid in accordance with agreements?	<i>Not applicable</i>	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 submitted for Internal Audit provides details of the risks associated with the functioning of a smaller authority and the measures that the Council will undertake to mitigate such risks. The Risk Register for the year under review was reviewed by full Council at its meeting of 1 st March 2022.
<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 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 Parish Protect for Policy with Hiscox which shows core cover for the following: Public liability: £10m; Public/Products Liability: £10m and Fidelity Guarantee of £150k. At renewal, Council is within a long-term agreement which ends 30 th September 2022. <i>Comment: the level of Fidelity Guarantee is within recommended guidelines which states that it should be at least the sum of the year-end balances plus 50% of the precept/grant being received in April of the following year.</i> An annual review of the Council's insurance was undertaken during the year with Council 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. It was resolved at the meeting of 7 th September 2021 that there had been no material changes to warrant amendments and members approved the renewal quotation from its current provider.
<i>Evidence that internal controls are documented and regularly reviewed⁴</i>	Yes	<p>In accordance with the Accounts and Audit Regulations 2015, Council is aware that it should formally review the effectiveness of its system of internal control to ensure that it has mitigation measures on place to address the risks associated with the management of public finances.</p> <p><i>Comment: the Council's internal control measures are contained within its Internal Control Statement which was presented to and adopted by full Council at its meeting of 1st March 2022 for the year ending 31st March 2022. However, as stated above there is no reference to Internet Banking within Councils Risk Assessment and Internal Control Documentation although Council adopted an Internet Banking Policy at its meeting of 5th October 2021. Council should note that whilst it is not a requirement that two people authorise electronic payments, it should consider the appropriate systems, procedures and controls available by banking providers and follow its own Financial Regulations.</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>The effectiveness of internal audit was discussed by full Council during the discussion of the approval and adoption of the internal control statement for the year ending 31st March 2022 at the meeting of 5th October 2021.</p> <p><i>Comment: by reviewing the terms of reference and effectiveness for internal audit, the council has followed guidance and demonstrated that it recognises that the function of internal audit is to test and report to the authority on whether its system of internal control is adequate. It would be preferable for Council to ensure that the reviews are not only carried out within the year under review but also reported within the same year.</i></p>
Recommendation: Although Council is mindful to ensure that all cheque payments are carried out with reference to its own Financial Regulations 5.5, there is no reference to online banking for the use of the settlement of accounts within the Council's overall Risk		

⁴ Accounts and Audit Regulations

⁵ Practitioners Guide

Assessment documentation. This should be remedied by reference to the Council's Internet Banking Policy and the procedures in place to safeguard public finances and mitigate the risk associated with online banking.

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 2021-2022 in the sum of £29,000 was approved at the Council meeting of 5 th January 2021. This included a contribution to reserves for land £5,000.00
<i>Verify that the precept amount has been agreed in full Council and clearly minuted</i>	Yes	The precept was set at £24,000 for 2021/2022, as confirmed at the above meeting, with the minutes demonstrating that this was a significant drop on the precept levied of the previous year.
<i>Regular reporting of expenditure and variances from budget</i>	Yes	In accordance with Council's own standing orders and terms of reference, statements summarizing the Council's receipts and payments and aggregate receipts and payments for the year to date with balances held is submitted to and considered by the Council. The reports provide evidence of comparisons between budgeted and actual income and expenditure and form the basis of approval for virements in accordance with Council's own Financial Regulations.
<i>Reserves held – general and earmarked⁶</i>	Yes	Council's final accounts show general reserves in the sum of £16,113.42 with earmarked reserves in the sum of £50,000 of and Restricted Reserves (CIL) in the sum of £463,534.10. <i>Comment: guidance as issued by Proper Practices 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 adopted is in accordance with its General Reserve Policy. There is no upper limit for Earmarked Reserves, but they</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

		<i>should be held for genuine and intended purposes and their level subject to regular review and justification (at least annually).</i>
Additional comments: <i>By following the recommended key stages as to the budgetary process, as well as monitoring actual performance against budget during the year, the Council has demonstrated that it understands and follows best practice and is suitable placed to take corrective action where necessary.</i>		

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. The RFO has continued to ensure 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 monthly financial reports and itemised within the minutes, where relevant.
<i>Does the precept recorded agree to the Council Tax Authority's notification?</i>	Yes	The council received precept of £24,000 during the year under review in April and September 2021. Evidence was provided showing a full audit trail from Precept being discussed and approved at the meeting of 6 th January 2021, served on the Charging Authority to receipt of same in the Council's Bank Account.
<i>If appropriate, are CIL reporting schedules in accordance with the Regulations?⁷</i>	Yes	For the year under review Council receive CIL Receipts in the sum of £52,072.56.
<i>Is CIL income reported to the council?</i>	Yes	CIL receipts are reported to full Council once received by the Council.
<i>Does unspent CIL income form part of earmarked reserves?</i>	Yes	In accordance with the 2010 Regulations, the Council having a retained balance of CIL funds has ensured that retained balances are transferred into

⁷ Community Infrastructure Levy Regulations 2010

		an Earmarked Reserve specifically allocated. Retained balance at 31 st March 2022 was £63,534.10
<i>Has an annual report been produced?</i>	Yes	Council is still to formally approved the Annual CIL Statement and it is noted that the report on the Council's website for the year 2021/2022 has not yet been verified by the Chair of the Parish Council.
<i>Has it been published on the authority's website?</i>	Yes	The report for the year ending 31 st March 2022 has been uploaded onto the Council's website but see comment above.
Additional comments:		

Section 7 – petty cash		
The Internal Auditor will seek evidence that the Council has followed its own policies, procedures, and verification processes and that these are up to date.		
Evidence		Internal auditor commentary
<i>Is petty cash in operation?</i>	Yes	Petty cash is not operated by the Council.
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. If the Clerk was recruited after 1 st April 201, evidence will be required to show compliance with the new requirements for the statement of employment, Induction, probation periods and training requirements. 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 1 employee on its payroll at the period end of 31 st March 2022. Employment contracts were not reviewed during the internal audit.
<i>Has the Council approved salary paid?</i>	Yes	All salary payments are authorised by full council.

<i>Minimum wage paid?</i>	<i>Not applicable</i>	The minimum wage is not applied.
<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 covering salary and PAYE and 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	The Internal Audit for the year ending 31 st March 2021 states that Council completed its re-declaration of compliance with regards to automatic enrolment duties on 19 th March 2020 with no staff being automatically re-enrolled.
<i>Are there any other payments (e.g.: expenses) and are these reasonable and approved by the Council?</i>	Yes	Council is aware of the changes in the Practitioners Guide for 2020 on the treatment of what can be included as employment expenses within the Annual Governance and Accountability Guide 2020 - section 2.16 refers and submitted within Box 4 of the AGAR. All expenses / payments made are against itemised invoices submitted to and approved by full Council.
Additional comments:		

Section 9 – Asset control

The Internal Audit will be seeking to establish if there is a list of assets in accordance with proper practices including the date of acquisition, location, and value. This extends to checking policies (with evidence of review) and that the Council has applied the documented approach in practice. The Internal Auditor will check not only valuation processes but the existence of reserve budgets for depreciation and adequacy of insurance. A clear audit trail should be available when items are purchased including minutes to evidence approval.

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

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 was reviewed during the Internal Audit Visit for year-end and reflects those items listed under insurance and within the Parish Council's remit for maintenance and ownership. It is noted that the declared value for all assets at year-end (31.03.2022) is £14,554.03 which shows overall nil movement for the year under review taking into account the council's acquisitions and disposals for the year ending 31 st March 2022.
<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 2021 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 and if/where amended, it will need to publish and provide explanations in changes in value to any previously recorded assets
<i>Are records of deeds, articles, land registry title number available?</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>Is the asset register up to date and reviewed annually?</i>	Yes	The asset register was reviewed by the council at its meeting of 1 st March 2022 and the approved sum is that which is declared as the Council's Assets on the Accounting Statements of the AGAR which are due to be signed off by the Council at a later meeting.
<i>Cross checking of insurance cover</i>	Yes	Council has insurance under its a Parish Council insurance policy for assets under its ownership and uses the Scribe Accounting Package to account for acquisitions and disposals.
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

⁹ Practitioners Guide

<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. Overall there is regular reporting of bank balances within the detailed financial reports submitted at each meeting.
<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 2022) the balance across the councils accounts stood at £129,647.52 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 full Council. In accordance with Council's Internal Control Statement, a Councillor is appointed to have responsibility for bank reconciliation checks.
Additional comments:		

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 expenditure 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.
<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. Section 2 - Accounting Statements of the AGAR were completed but unsigned by the RFO at the time of Internal Audit. Recommendation: prior to the formal signing of the Accounting Statements the following amendments should be made: Box 2 should only contain the precept for the year and should be changed to read £24,000.

¹⁰ Annual Governance & Accountability Return (AGAR)

		Box 3 should contain the additional grant received from the District Council as the one-off Local Council Grant (£362) and should be changed to read £56,041.
<i>Did the Council meet the exemption criteria and correctly declared itself exempt?</i>	<i>Not applicable</i>	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	The Internal Auditor is able to confirm that the parish council can demonstrate that it correctly provided for the exercise of public rights as required by the 2015 Regulations. Dates set were from 14 th June to 23 rd July 2021.
<i>Have the publication requirements been met in accordance with the Regulations?¹¹</i>	Yes	The Council has complied with the requirements of the Accounts and Audit Regulations 2015 for smaller authorities with income and expenditure exceeding £25,000 but not exceeding £6.5 million for the year ending 31 March 2021 and published the following on a public website: Section 1 – Annual Governance Statement of the AGAR Section 2 – Annual Accounting Statements of the AGAR Section 3 – External Audit Report and Certificate. Notice of the period for the exercise of public rights Notice of the conclusion of audit <i>Comment: Council might wish to note that it is recommended as best practice, to avoid any potential confusion by local electors and interested parties, that the Annual Internal Audit Report, page 3 of the AGAR is also published on its website.</i>
Additional comments:		

Section 12 – internal audit	
The internal auditor will revisit weaknesses and recommendations previously identified to see if these have been addressed. They will also check if any changes introduced require further verification to ensure effectiveness of the corrective action taken.	
Evidence	<i>Internal auditor commentary</i>

¹¹ Accounts and Audit Regulations 2015

<i>Has the Council considered the previous internal audit report?</i>	Yes	In accordance with Proper Practices, Council considered the internal audit report for the year ending 31 st March 2021 at its meeting of 9 th June 2021 with the Council agreeing a formal response to the recommendations and/or comments raised by the internal auditor.
<i>Has appropriate action been taken regarding the recommendations raised?</i>	Yes	The following recommendation from the audit ending 31 st March 2021 has been actioned: 1. Correction of the Home Allowance costs within the Accounting Statements
<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 2022 at the meeting of 5 th October 2021.
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?</i> ¹²	Yes	At the meeting of full Council of 7 th September 2021, Council considered the report from the External Auditor for the year ending 31 st March 2021.
<i>Has appropriate action been taken regarding the comments raised?</i>	Yes	The external auditor made the comment over the completion of the AGAR: "The AGAR was not accurately completed before submission for review: Information received from the smaller authority indicates that staff expenses have been included in Section 2, Box 4 in the prior year comparatives when they should have been included in Box 6. Please note that Box 4 should comprise payments made in relation to the employment of staff including only gross salary, employers' national insurance contributions, employers' pension contributions, gratuities for employees or former employees and

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.

	<p>severance or terminations payments to employees. Employment expenses which are benefits (mileage, travel, etc.) and items of reimbursement of expenses for postage, stationery or other outlays made on behalf of the smaller authority are not staff costs for the purpose of completion of the AGAR in accordance with proper practice. The Joint Panel on Accountability and Governance Practitioners' Guide issued March 2020 requires staff costs to be classified in this way and for the prior year comparative figures to be restated on a consistent basis. Our understanding is that the current year figures have been stated correctly."</p>
<p>Additional comments:</p>	

<p>Section 14 – additional information</p>		
<p>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>Evidence</p>	<p><i>Internal auditor commentary</i></p>	
<p><i>Was the annual meeting held in accordance with legislation?</i>¹³ (Note to auditor- emergency Regulations because of the COVID-19 pandemic)¹⁴</p>	<p>Yes</p>	<p>Council held its Annual Meeting of the Parish Council at which the Chair and other Officers were elected on 4th May 2021 held via the Zoom Videoconferencing platform and in accordance with legislation. In accordance with the repeal of the Coronavirus Act 2020 legislation all meetings held after 7th May 2021 were held in person.</p>
<p><i>Is there evidence that Minutes are administered in accordance with legislation?</i>¹⁵</p>	<p>Partly met</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>

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

¹⁴ The Local Authorities and Police and Crime Panels (Coronavirus) (Flexibility of Local Authority and Police and Crime Panel Meetings) (England and Wales) Regulations 2020

¹⁵ Public Bodies (Admission to Meetings) Act 1960, Local Government Act 1972, and the Localism Act 2011

		<p>Whilst the minutes show valid reasons for apologies given (where applicable), there is no formal record to show that Council has approved the apologies submitted.</p> <p>Recommendation: s85 of the 1972 Act states that “..if a member of a local authority fails throughout a period of six consecutive months from the date of 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 is advised 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. NALC LTN 5 provides further clarity on this matter including the good practice of seeking approval for an apology in writing.</p>
<i>Is there a list of members’ interests held?</i>	Yes	Evidence was on the District Authority’s website for the Register of Interests for all current Parish Councillors.
<i>Does the Council have any Trustee responsibilities ?</i>	Yes	The Parish Council is the Corporate Trustee for the Memorial Hall. The Memorial Hall Trust is set up as a separate entity with its own Standing Orders, Financial Regulations and operates a separate bank account. The responsibilities of the parish council are set out in the lease and relate to the basic operation of the Memorial Hall.
<i>Has the Transparency Code been correctly applied, and information published in accordance with current legislation?</i>	Partly met	Councils with income over £25,000 but under £200,00 will be expected (but are not legally required to do so) to follow the Local Government Transparency Code 2015 (turnover exceeding £200,000). Council is working towards ensuring compliance with the requirements under the Transparency Code 2015 for those items that are relevant to the Council.
<i>Has the Council registered with the Information Commissioner’s Office (ICO)?¹⁶</i>	Yes	<p>The council is correctly registered with the IO as a Data Controller in accordance with legislation. Reference: ZA130355 expiry date of 2st July 2022.</p> <p>The Council’s Model Publication Scheme detailing the type of information the Council holds and how it will make it available to the public although it is</p>

¹⁶ Data Protection Act 2018

		<p>noted that Council has taken steps to proactively publish information was seen on the Council's website.</p> <p><i>Comment: It does however have a review date of 1st May 2020 and Council should take steps to review the content within the document ensuring that it is relevant and up to date.</i></p>
<i>Is the Council compliant with the General Data Protection Regulation requirements?</i>	Yes	<p>Council has taken further steps during the year under review to ensure compliancy. The Council's Data Protection Policy as seen on the website details the framework that the public can expect for the handling of requests from individuals who have the right to know what data is held on them, why the data is being processed and whether it will be given to any third party. The policy has also been expanded to cover the procedures to be followed upon receipt of a subject access request and the requirements for a data protection impact assessment upon the adoption of policies or commencement of a project that has an impact on personal data held or to be collected.</p>
<i>Has the Council published a website accessibility statement on their website in line with Regulations?¹⁷</i>	Yes	<p>The website accessibility statement seen on the Council operated website details 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.</p>
<i>Does the council have official email addresses for correspondence?¹⁸</i>	Yes	<p>Council has its own email address which is owned by the parish council and not connected to a personal email account.</p> <p><i>Comment: Council might wish to consider guidance issued over the use of a secure e-mail system with a gov.uk address (section 5.16 of the Practitioners' Guide to Proper Practices – March 2021 refers).</i></p>
<i>Is there evidence that electronic files are backed up?</i>	Yes	<p>Council has in place a system whereby a weekly back-up of the council's data is taken and stored. Accounts are completed using the Scribe Accounting Programme which are backed up automatically on the Scribe system.</p>

¹⁷ Website Accessibility Regulations 2018

¹⁸ Practitioners Guide

<i>Do terms of reference exist for all committees and is there evidence these are regularly reviewed?</i>	Yes	At the meeting of 4 th May 2021, Council agreed the delegation arrangements and terms of reference for the Planning and Personnel Committees and the delegation arrangements for the Clerk.
<p>Additional comments: <i>Transparency Code 2015 - To ensure full compliance with the requirements of the Local Government Transparency Code 2015 (turnover exceeding £200,000), the following information should be published in accordance with the required timescales:</i> <i>quarterly:</i> <i>Individual items of expenditure that exceed £500 (currently published on an annual basis);</i> <i>Government Procurement Card transactions;</i> <i>Invitations to tender for contracts over £5,000;</i> <i>Details of contracts that exceed £5,000;</i> <i>annually:</i> <i>Details of all land and building assets;</i> <i>Grants to Voluntary, Community and Social Enterprise Organisations.</i></p>		

Signed: V S Waples

Date of Internal Audit Work: 04.05.22 & 06.05.22

Date of Internal Audit Report: 06.05.22

On behalf of Suffolk Association of Local Councils