

## Internal Audit Report for Denham Parish Council for the period ending 31 March 2025

Clerk	Wendy Alcock
RFO (if different)	-
Chairperson	Councillor D McGregor
Precept	£ 5,450.00
Income	£29,358.42
Expenditure	£36,759.39
General reserves	£ 4,267.78
Earmarked reserves	£ 8,345.60
Audit type	Annual – non-exempt authority
Auditor name	<b>Victoria Waples</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

<b>Section 1 – proper bookkeeping</b> The internal auditor will look at the methods and processes used to manage the council's accounts and in particular that it provides clear data for reporting and monitoring purposes. This includes checking information is accurate, kept up to date, referenced and verified.		
Evidence		Internal auditor commentary
Is the ledger maintained and up to date?	Yes	Excel spreadsheets were submitted for internal audit review, and it is confirmed that these are well maintained and up to date.
Is the ledger on the correct basis in relation to the gross income/expenditure?  (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.
Is the cash book up to date and regularly verified?	Yes	The cashbook is reconciled on a regular basis. Council follows proper practices in ensuring that its accounting procedure gives an accurate presentation of an authority's true financial position by focusing on the balance of economic benefits that it has under its control, rather than just its bank balance and the Responsible Financial Officer (RFO) has ensured that there are clear financial management reports submitted to the council on a regular basis.
Is the arithmetic correct?	Yes	A number of spot checks were conducted, and the functionality of the cashbook was found to be in order.
<b>Additional comments: council might wish to ensure that the cashbook and/or minutes make reference to the powers used to incur expenditure. Statutory powers are granted by Parliament and give local councils the choice or opportunity to take action and are therefore discretionary. Like all powers given to public bodies the powers of local councils are defined in detail in legislation and these details may include a requirement to obtain the consent of another body. Local Councils must exercise their powers subject to the provisions of the general law.</b>		

<b>Section 2 – Financial Regulation and Standing Orders</b> The internal auditor will check the date the Council conducted its annual review of both Standing Orders and Financial Regulations and in particular check if these are based on NALC'S latest model which include legislative changes.		
Evidence		Internal auditor commentary
Have Standing Orders been adopted, up to date and reviewed annually?	Yes	Council's Standing Orders, were reviewed at the meeting of 16 <sup>th</sup> July 2024 although those seen on the website are dated with a review date of 18 <sup>th</sup> July 2023. Council's Orders, are based on the latest model published by the National Association of Local Councils (2022). <i>Comment: at the next annual review, Council might wish to note that NALC have updated Model Standing Order (England) section 18 to comply with new procurement legislation and ensure consistency with our Model Financial Regulations. The changes are to 18.a.v, 18.c, 18.d, and 18.f. NALC have also updated Model Standing Order (England ) section 14 to better reflect Code of Conduct requirements. 14.a, 14.b, and 14.c have been removed. NALC have also changed the language in the document to gender-neutral terms to align with their policy and the Civility and Respect Project.</i>
Are Financial Regulations up to date and reviewed annually?	Yes	Financial Regulations , as seen on the Council's website were reviewed at the meeting of 16 <sup>th</sup> July 2024 and are based on the NALC Model Financial Regulations 2024. <i>Comment: council might wish to note that revisions to the Model Financial Regulations were published on 13th March 2025, and these should be included in the council's next review of its Financial Regulations.</i>
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)? <sup>1</sup>	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

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

		authority. Council's Financial Regulation 1.5 confirms that the Clerk is so appointed.
<b><i>Additional comments:</i></b>		

<b>Section 3 – Payment controls</b> 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.		
<b>Evidence</b>		<i>Internal auditor commentary</i>
Is there supporting paperwork for payments with appropriate authorisation?	<b>Partly met – see Section 14 below</b>	<p>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. A further spot check of items paid via the system from the Council's Accounts was also cross checked against cashbook, bank statements and invoices. All were found to be in order. A spot check of payments made under contractual terms were further analysed and all were found to be in accordance with agreed schedules and sums approved.</p> <p>A financial statement is submitted with the agenda detailing the payments to be made, with reference made within the body of the minutes as to the payments being authorised.</p> <p><b>Recommendation: see comment under Section 14 for the retrospective approval of all financial transactions taken at the meeting of 5<sup>th</sup> November 2024 at which the council was not quorate and subsequent meetings for the year 2024-2025.</b></p>
Where applicable, are internet banking transactions properly recorded and approved?	<b>Partly met – see Section 14 below</b>	<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 council's risk assessment documentation for electronic payments details the procedure to be followed for the making of such payments in accordance with council's own Financial Regulations.</p>

Is VAT correctly identified, recorded, and claimed within time limits?	Yes	VAT is identified in the cash book with the year-end balance standing at £197.76. The VAT claims for the period 1 <sup>st</sup> April to 31 <sup>st</sup> August 2024 were settled during the year under review. The VAT claim for the year ending 31 <sup>st</sup> March 2024 in the sum of £106.60 was settled in April 2024.
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 that it is eligible to exercise the GPOC.
Are payments under s.137 <sup>3</sup> separately recorded, minuted and is there evidence of direct benefit to electorate?	N/A	There were no payments identified under s137 for the period under review.
Where applicable, are payments of interest and principal sums in respect of loans paid in accordance with agreements?	N/A	Council has no such loans.
<b>Additional comments:</b>		

<b>Section 4 – Risk management</b>		
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.		
<b>Evidence</b>		Internal auditor commentary
<i>Is there evidence of risk assessment documentation?</i>	Yes	The risk assessment documentation as reviewed provides details of the risks associated with the functioning of a smaller authority and the measures that the Council will undertake to mitigate such risks. The Risk Register for the year under review was considered and adopted by the council at its meeting of 21 <sup>st</sup> May 2024.

<sup>2</sup> Localism Act

<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>Is there evidence that risks are being identified and managed?</i></p>	<p><i>Partly met – see comment under 14 below</i></p>	<p>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>Comment: council has in place monitoring documents which identify the risks involved with and the potential for improvements to its arrangements to protect public money. It provides the opportunity for reviews of operational as well as financial and governance reviews by members to ensure that it has mitigation measures in place to address the risks associated with the council's day to day operations.</i></p> <p><b>Internal Auditor comment: as council failed to address the risk associated with being quorate in order to operate, it has failed to address the manner in which this should be addressed to ensure that the council could continue to operate and provide services to the local community. The council should have sought assistance from the District Council at the earliest opportunity alerting them to the number of seats it held and that it was inquorate. They would then have been in a position to identify the number of appointments required in order for the parish council to be quorate.</b></p>
<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 its main insurance under a Local Councils policy with Clear Councils. Core cover for the council's insurance policy is shown as: Public &amp; Products Liability: £10million; Employer's Liability: £10million and Fidelity Guarantee of £25thousand. <i>Comment: Council has followed recommended guidance by ensuring that its Fidelity Cover is equal to at least the sum of the year-end balances plus 50% of the precept/grants to be received in the following April/May and/or during the year upon receipt of grants.</i></p> <p>During the year under review, council is able to demonstrate, as evidenced 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.</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>
<i>Evidence that internal controls are documented and regularly reviewed<sup>4</sup></i>	Yes	Council adopted its Internal Control Statement for the year ending 31 <sup>st</sup> March 2025 at the meeting of 21 <sup>st</sup> May 2024. As such, it is evidenced from the document seen, that the council, in accordance with Regulation 6 of the Accounts and Audit Regulations 2015, confirmed that the financial and management systems of the council were sound and adequate and internal control arrangements were efficient and effective to address the risks associated with the management of public finances.
<i>Evidence that a review of the effectiveness of internal audit was conducted during the year, including consideration of the independence and competence of the internal auditor prior to their appointment<sup>5</sup></i>	Yes	The council formally reviewed the scope and effectiveness of its internal audit arrangements at the meeting at which the internal control statements was adopted. <i>Comment: Council is aware that in accordance with the Accounts and Audit Regulation 2015, the parish council must review the terms of reference and effectiveness of internal audit and demonstrate that it has understood that the role of internal audit is to evaluate and report on the adequacy of the system of internal control.</i>
<b>Additional comments:</b>		

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

<sup>5</sup> Practitioners Guide

<b>Section 5 – Budgetary controls</b> 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>See comments under 14 below</b>	The budget for the year 2024 - 2025 was approved at the Council meeting of 23 <sup>rd</sup> January 2024 and was set at £5,590 to be funded by the precept and known income streams. The budget for the year 2025 - 2026 was approved at the council meeting of 21 <sup>st</sup> January 2025 with evidence produced that this would be set at £5,606. <i>Comment: council has evidenced 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.</i>
<i>Verify that the precept amount has been agreed in full Council and clearly minuted</i>	Yes  <b>See comments under 14 below</b>	The minutes of 23 <sup>rd</sup> January 2024 confirmed that the precept to be levied for the year 2024 – 2025 would be set at £5,450 with the minutes evidencing that this would equate to a 48.42% increase giving a Band D Tax to be levied of £64.96. The precept for the year 2025 – 2026 was discussed and approved at the meeting of 21 <sup>st</sup> January 2025 and set at £5,606 which was acknowledged to be a 3.2% increase for a Band D dwelling. <i>Comment: in accordance with best practice, council has recorded in the minutes the impact the precept being set would have on a Band D Dwelling in monetary as well as percentage terms.</i>
<i>Regular reporting of expenditure and variances from budget</i>	Yes	The minutes evidence that council conducted reviews covering the budget for the current year with a review of income and expenditure against budget at each meeting. A monitoring statement is produced which includes a breakdown of all receipts and payments balance with variances against budgets and details of virements as approved by the council to balance the budget set.

		<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>
Reserves held – general and earmarked <sup>6</sup>	Yes	<p>The Council, as at year-end, had General Reserves totalling £4,267.76 and Earmarked Reserves of £8,345.60.</p> <p><i>Comment: Council has followed 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).</i></p> <p><b>Recommendation: council might wish to consider adopting a Reserve Policy, which would clarify the reasoning behind the holding of reserves and provided clarity on the allocation of its reserves held regarding the setting of the budget for the next financial year. The adopted policy might show an intended level of General Reserves to be maintained to ensure that the council achieves the recommended levels as per Proper Practices.</b></p>
<i>Additional comments: Council has shown good practice by ensuring the recommended key stages as to the budgetary process are followed for the year and has ensured that progress against the budget is reviewed regularly throughout the year.</i>		

<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

<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.		
Evidence		Internal auditor commentary
<i>Is income properly recorded and promptly banked?</i>	<b>Partly met – see comments under 14 below</b>	Income is recorded in accordance with Council's Financial Regulations. A sample of receipts was checked against cash book and bank statement and found to be in order and recorded in accordance with Proper Practices. The RFO has ensured that the accounting records contain all day-to-day entries of all sums of money received.
<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 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 £5,450 from Mid Suffolk District Council for the period under review as reported to full Council within its Financial Reports at its meetings in April and September 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.
<i>If appropriate, are CIL reporting schedules in accordance with the Regulations?<sup>7</sup></i>	N/A	The council did not receive any CIL receipts
<i>Is CIL income reported to the council?</i>	N/A	
<i>Does unspent CIL income form part of earmarked reserves?</i>	N/A	The council does not hold any CIL reserves.
<i>Has an annual report been produced?</i>	N/A	
<i>Has it been published on the authority's website?</i>	N/A	
<b>Additional comments:</b>		

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

<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.		
Evidence		Internal auditor commentary
<i>Is petty cash in operation?</i>	<i>N/A</i>	Council does not operate a petty cash system.
<i>If appropriate, is there an adequate control system in place?</i>	<i>N/A</i>	
<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 had 1 employee on its payroll at the period end of 31 <sup>st</sup> March 2025. Employment contracts were not reviewed during the internal audit but the Clerk to the Council has confirmed that a contract of employment in place.
<i>Has the Council approved salary paid?</i>	<b>Partly met – see comments under 14 below</b>	All salary payments are presented to full Council for approval and payment is made via internet banking in accordance with council's own Financial Regulations. <i>Comment: Council ensures that there are suitable payroll arrangements in place which ensures the accuracy and legitimacy of payments of salaries and wages, and associated liabilities and as such the council has complied with its duties under legislation.</i>
<i>Minimum wage paid?</i>	No	No employee is paid the 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	There are suitable payroll arrangements in place which ensures the accuracy and legitimacy of payments of salaries and wages, and associated liabilities and as such the council has complied with its duties under legislation.
<i>Do salary payments include deductions for PAYE/NIC? Is PAYE/NIC paid promptly to HMRC?</i>	Yes	The payroll function for the year under review is operated in accordance with HM Revenue and Customs guidelines and outsourced. Cross-checks were completed on a sample of payments covering salary and all were found to be in order. Deductions due to be paid to HM Revenue and Customs during the year under review were made within the requisite time periods.
<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 but the member of staff if not enrolled into a pension scheme provided by the employer.

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

<i>Have pension re-declaration duties been carried out</i>	Yes	From paperwork seen, the council completed its re-declaration of compliance with The Pensions Regulator in 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 expenses claimed are approved by full council with supporting paperwork in place and reimbursed in accordance with Council's Financial Regulations.
<b><i>Additional comments:</i></b>		

<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.		
Evidence		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, as submitted for internal audit review, reflects those items listed under insurance and within the parish council's remit for maintenance and ownership. It is noted that the declared value for all assets at year-end (31.03.2025) is £6,877 which reflects acquisitions and disposals during the year under review. For comparison, the declared value on the asset register as at 31.03.24 was £6,681.
<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 2024 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>	Yes	Records of deeds, articles, land registry title number were not reviewed during the internal audit which was conducted via remote means.
<i>Are copies of licences or leases available for assets sited at third party property?</i>	N/A	Council has not declared that it has any assets located on third party property.
<i>Is the asset register up to date and reviewed annually?</i>	Yes	The asset register seen was approved by council at its meeting of 21 <sup>st</sup> May 2024 and the values seen on the Asset Register - £6,877 (rounded) match those on the Draft Accounting Statements.
<i>Cross checking of insurance cover</i>	Yes	Council has appropriate insurance under all risks cover for its assets as specified under the headings on the insurance schedule.

<sup>9</sup> Practitioners Guide



**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. Overall there is regular reporting of bank balances within the detailed financial reports submitted to full council. <i>Comment: council has understood that the bank reconciliation is a key tool for management as it assists with the regular monitoring of cash flows which aids decision-making, particularly when there are competing priorities.</i>
<i>Do bank balances agree with bank statements?</i>	Yes	Bank balances as of 31 <sup>st</sup> March 2025 agree with the year-end bank statements and at year end stood at £12,613.38 across the accounts held in the parish council's name. <i>Comment: the internal auditor is able to verify the year-end bank reconciliation detail and can ensure that the combined cash and bank balances as identified are included within the AGAR, section 2, line 8.</i>
<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. The minutes of council meetings, demonstrate that an internal review and verification of the bank reconciliation versus the bank statements has been undertaken. <i>Comment: this is not only good practice but is also a safeguard for the RFO and fulfils one of the authority's internal control objectives.</i>

Section 11 – year end procedures		
Evidence		Internal auditor commentary
Are appropriate accounting procedures used?	Yes	Accounts are produced on a receipts and payments basis, and all found to be in order.
Financial trail from records to presented accounts	Yes	The end of year accounts were presented for the internal auditor review and confirmation is given that there is a clear financial trail from records to presented accounts.
Has the appropriate end of year AGAR <sup>10</sup> documents been completed?	Yes	As Council is a smaller authority with gross income and expenditure exceeding £25,000 it will be required to complete the Annual Governance and Accountability Return (AGAR) Form 3. The Accounting Statements were submitted in draft form for the internal audit review, and it is assumed that the figures submitted will be those that are replicated in their entirety onto the AGAR.
Did the Council meet the exemption criteria and correctly declared itself exempt?	N/A	As the council had gross income and expenditure exceeding £25,000 during 2023-2024 it was not able to declare itself exempt from a limited assurance review for the year ending 31 <sup>st</sup> March 2024.
During the period in question did the small authority demonstrate that it correctly provided for the exercise of public right as required by the Accounts and Audit Regulations 2015?	Yes	Council has demonstrated that during the year under review, it ensured that the period for the exercise of elector's rights during Summer 2024 was in accordance with the period specified within the Accounts and Audit Regulations 2015. The dates set were 3 <sup>rd</sup> June to 12 <sup>th</sup> July 2024 with the Notice being dated 2 <sup>nd</sup> June 2024 as seen on the council's website. <i>Comment: within the Annual Internal Audit Report, internal control objective test M requires the internal auditor to establish whether the parish council correctly provided for the exercise and published a copy of the required "Public Notice" by ensuring that it clearly identified the statutory 30 working day period when the Authority's records are available for public inspection. This is evidenced by the notice on the website which contains the period for the exercise of public right; details of the manner in which the documents can</i>

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

		<i>be inspected; the name and address of the external auditor and the provisions as contained under section 25 and section 27 of the Act.</i>
<i>Have the publication requirements been met in accordance with the Regulations?<sup>11</sup></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 for the year ending 31 <sup>st</sup> March 2024 as it has published the following on a public website: Notice of the period for the exercise of public rights Annual Internal Audit Report Notice of conclusion of audit Section 3 – External Auditor’s Report and Certificate of the AGAR Sections 1 and 2 of the AGAR (audited) including any amendments as a result of the limited assurance review.
<b><i>Additional comments:</i></b>		

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

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Section 13 – external audit for the period under review		
The internal auditor will revisit the external audit so that previous weaknesses and recommendations can be considered.		
Evidence		Internal auditor commentary
Has the Council considered the previous external audit report? <sup>12</sup>	Yes	At the meeting of 17 <sup>th</sup> September 2024, council received and accepted the external audit report.
Has appropriate action been taken regarding the comments raised?	N/A	There were no matters raised that required the issuing of a separate report nor were there any matters to be brought to the council's attention. The Internal Auditor is able to verify that the external auditor report and certificate along with the audited accounts, internal audit report and 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. <i>Comment: it should be noted that the form detailing the conclusion of the limited assurance review is undated.</i>
<b>Additional comments:</b>		

<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.

<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.		
<b>Evidence</b>		<i>Internal auditor commentary</i>
<i>Was the annual meeting held in accordance with legislation?</i> <sup>13</sup>	Yes	Council held its Annual Meeting of the Parish Council at which the Chair was elected on 21 <sup>st</sup> May 2024 in accordance with legislation in place at that time.
<i>Is there evidence that Minutes are administered in accordance with legislation?</i> <sup>14</sup>	<b>No from November onwards</b>	<p>Council is aware 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>However, it is noted that the meeting of 5<sup>th</sup> November 2024 commenced with only two councillors present. Whilst the council co-opted two members of the public to the council later in the meeting, council should note that the quorum for parish council meetings is prescribed in law by the LGA 1972, Schedule 12, paragraph 12. All decisions taken at a meeting where the quorum is less than one-third of the council members present (which cannot be less than three) will be deemed to be invalid.</p> <p>As there were so many vacancies in the office of parish councillor at this point in time, the parish council in essence was unable to act. The District Council should have been informed to enable it, under section 91 of the Local Government Act 1972, to appoint persons to fill all or any of the vacancies until other councillors were elected to take up office.</p> <p><b>Recommendation: whilst council is recommended to review all decisions taken at the meetings of 5<sup>th</sup> November 2024 and subsequent meetings and bring them back to full council for formal ratification, it is advised to seek legal advice from the District Council in relation to the manner in which the co-options took place at the</b></p>

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

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

		<b>meeting of 5<sup>th</sup> November 2024 given that the council was unable to continue to act.</b>
<i>Is there a list of members' interests held?</i>	<b>Yes but see comments above</b>	A copy of the members' interests for four of the five serving councillors was seen on the district council's website. There is no direct from the parish council's own website to that of the district. <i>Comment: councillors are advised of the timescales by which the Register of Interests should be completed and submitted to the District Authority.</i>
<i>Does the Council have any Trustee responsibilities and if so, are these clearly identified in a Trust Document?</i>	N/A	Council has no declared trustee responsibility.
<i>Has the Transparency Code been correctly applied, and information published in accordance with current legislation?</i>	In progress	Council should be aware that councils with gross income and expenditure under £25,000 are required to follow the Local Government Transparency Code 2014 for smaller authorities. For those authorities that fall between the Transparency Code 2014 and the Transparency Code 2015 (gross income and expenditure exceeding £200,000), councils should strive to follow the provisions of the 2015 code. <i>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:</i> <i>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.</i> <i>Publish annually: Details of all land and building assets; Grants to Voluntary, Community and Social Enterprise Organisations; Organisational Chart.</i>
<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. As defined under the Freedom of Information Act 2000, council should be aware that it needs to adopt and publish a Publication Scheme, tailored to the council to accurately reflect council's activities undertaken and the

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



		<p>manner in which information will be made available. The ICO's Model Publication Scheme information sheet provides clarity on the sections that will need to be populated but this does not constitute an adopted scheme.</p> <p><b>Recommendation: Council should seek to review the information it holds under the scheme and ensure that it adopts a scheme that is fully tailored to the parish council.</b></p>
<i>Is the Council compliant with the General Data Protection Regulation requirements?</i>	Yes	<p>Council has taken active steps to ensure compliancy with the GDPR requirements and has adopted GDPR Policies during the year ensuring that they provide clear responsibilities and obligations of the Council in respect of the collection and usage of personal information. It is noted that policies dealing with the protection and retention of that information in accordance with the provisions of the GDPR have been adopted during the year under review.</p>
<i>Has the Council published a website accessibility statement on their website in line with Regulations?<sup>16</sup></i>	Yes	<p>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.</p>
<i>Does the council have official email addresses for correspondence?<sup>17</sup></i>	Yes	<p>Council agreed at the meeting of 18<sup>th</sup> March 2025 to move to a.gov.uk domain which would support email addresses for the council's officers and councillors thereby complying with GDPR and demonstrating that the council has an official status thereby building trust, credibility and authenticity.</p> <p><i>Comment: council has noted Proper Practice guidance which states that every authority should have an email account that belongs to the council and to which the council has access.</i></p>
<i>Is there evidence that electronic files are backed up?</i>	Yes	<p>Council uses a system whereby a back-up of the council's data is taken and stored appropriately.</p>
<i>Do terms of reference exist for all committees and is there evidence these are regularly reviewed?</i>	Yes	<p>Council does not operate a committee system.</p>

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

<sup>17</sup> Practitioners Guide



***Additional comments:***

Signed: Victoria S Waples

Date of Internal Audit Review: 27.04.2025, 29.04.2025

Date of Internal Audit Report: 30.04.2025

On behalf of Suffolk Association of Local Councils