

Internal Audit Report for Knodishall Parish Council for the year ending 31st March 2022

Clerk	Dale Sanders
RFO (if different)	
Chairperson	John Staff
Precept	£ 17,110.00
Income	£ 18,274.24
Expenditure	£ 15,943.00
General reserves	£ 28,499.48
Earmarked reserves	£ 5,320.00
Restricted reserves (CIL)	£ 9,389.39
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’s monthly financial reports as submitted to full council are used as the Council’s accounting records. <i>Comment: The RFO is in the process of amending the manner in which the accounting records are contained to ensure that the records contain daily entries of receipts and expenditure and the matters to which they relate.</i>
<i>Is the cash book up to date and regularly verified?</i>	Yes	The monthly financial reports are kept up to date and are used as the focus for the day-to-day accounting procedures of the council.
<i>Is the arithmetic correct?</i>	Yes	The accounting records were spot checked and were 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 25 th May 2021, a copy of which can be found on the Council’s website. The Council’s Orders are based on the Model Standing Orders produced by NALC in 2018 (amended 2020) which take into account changes in legislation since those produced in 2013. <i>Comment: to ensure clarity with regards to Annual Reviews, Council might wish to incorporate a review date within the document.</i>

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 which 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	In accordance with Section 151 of the Local Government Act 1972(d) (financial administration), the Council has appointed a person to be responsible for the administration of the financial affairs of the relevant authority.
Additional comments: <i>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	At each relevant Council Meeting a list of all payments is presented to the meeting with formal approval of such expenditure being given. Effective September 2021, such approval is shown in the minutes. A separate report contains evidence of such paperwork for the meetings prior to September 2021.
Where applicable, are internet banking transactions properly recorded and approved?	<i>Not applicable</i>	Internet banking is not operated by the Council.

¹ Section 151 Local Government Act 1972 (d)

Is VAT correctly identified, recorded, and claimed within time limits?	Yes	VAT is identified in a separate spreadsheet and claimed in accordance with the guidelines for local authorities and similar bodies. The year-end position has not been verified as the cashbooks were not submitted showing this detail.
Has the Council adopted the General Power of Competence (GPOC)? ²		Council does not use the General Power of Competence.
Are payments under s.137 ³ separately recorded, minuted and is there evidence of direct benefit to electorate?	Yes	Payments made under this power for the year under review totalled £1050 and were made in accordance with the provisions of s137 of the 1972 Act.
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. <i>Comment: Whilst it is acknowledged that the documentation submitted for internal audit was reviewed during the year, the Financial Risk Management Documentation is dated 2018. Council might wish to consider adding a review date that demonstrates that, in accordance with Proper Practices, the</i>

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.

		<i>risks are annual reviewed, assessed and appropriate measures are in place to protect public money.</i>
<i>Is there evidence that risks are being identified and managed?</i>	Yes	Council is aware that risk assessment should focus not only on the safety of the parish council's assets but also its money. The parish council has taken appropriate action to identify and assess the risks associated with its operation and considered what actions or decisions it needs to take during the year in order to mitigate and manage the risk.
<i>Does the Council have appropriate and adequate insurance cover in place for employment, public liability and fidelity guarantee and has been reviewed on an annual basis?</i>	Yes	<p>Council has insurance in place under a Council Commercial Combined Policy which shows core cover for the following: Public liability: £10m; Public/Products Liability: £10m; Business Interruption: £10k, and Fidelity Guarantee of £150k. The level of Fidelity Guarantee is within the recommended guidelines which provides that the cover should be at least the sum of the year-end balances plus 50% of the precept/grants.</p> <p><i>Comment: it is noted that the internal audit for the year ending 31st March 2021, states that the minutes of the meeting of 8th October 2020, evidenced that Council formally renewed its insurance and that at renewal, Council was in a three-year long-term agreement as signed in 2019. The documentation submitted for internal audit for the year under review confirms that the long-term agreement will expire on 30th September 2022.</i></p>
<i>Evidence that internal controls are documented and regularly reviewed⁴</i>	No	<p>There is no evidence within the minutes and files submitted for internal audit that the parish council has undertaken a review of the effectiveness of the system of internal control during the year under review. This review will be required to inform the authority's preparation of its annual governance statement.</p> <p>Recommendation: as advised previously, Council should note the requirement, under the Accounts and Audit Regulations 2015, to have in place safe and efficient arrangements to safeguard public money. Council should take steps to ensure that it reviews its arrangements to protect public money during the coming year and minutes that such a review has taken place. An Internal Control Statement (model templates are available from SALC) would provide the basis for such an assertion.</p>

⁴ Accounts and Audit Regulations

<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></p>	<p><i>Partly met</i></p>	<p>There is no minute to show that Council reviewed the effectiveness of internal audit although it did review the internal audit report from the previous year.</p> <p>Recommendations: as required by proper practices, Council should ensure that it annually reviews the effectiveness of its internal audit arrangements which should include the extent and scope of the work to be carried out and whether such work will provide adequate assurance for the Council that its system of internal control is adequate and effective.</p>
<p>Additional comments:</p>		

<p>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</p>		
<p>Evidence</p>		<p>Internal auditor commentary</p>
<p><i>Verify that budget has been properly prepared and agreed and clearly minuted</i></p>	<p>Yes</p>	<p>The budget for the year 2020–2021 in the sum of £17,110 was set at the meeting of 15th December 2020 although there is no minute reference to the budget set.</p> <p><i>Comment: to ensure transparency in the budgetary process followed by the Council, it should evidence, by recording in the minutes the budget being set alongside the reasoning for such a budget.</i></p>
<p><i>Verify that the precept amount has been agreed in full Council and clearly minuted</i></p>	<p>Yes</p>	<p>The precept to fully fund the budget was set at £17,110 at the same meeting but there is no corresponding minute to reflect the precept agreed.</p> <p><i>Comment: see above</i></p>
<p><i>Regular reporting of expenditure and variances from budget</i></p>	<p>Yes</p>	<p>Council continues with the practice of a written report being submitted at each meeting showing current bank balances along with items of expenditure</p>

⁵ Practitioners Guide

		<p>to be approved along with aggregate receipts and payments and variance against budget.</p> <p><i>Comment: Council is advised to ensure that all documentation upon which it is to make a decision is evidenced by either being attached to the minutes or uploaded as associated papers to the publicly accessible website.</i></p>
Reserves held – general and earmarked ⁶	Yes	<p>Council's final accounts show general reserves in the sum of £28,499.48 with earmarked reserves at £5,320.00 and CIL reserves at £9,389.39.</p> <p><i>Comment: whilst Council carried out a review of its reserves at the meeting of 20th July 2021, Council has not followed guidance as issued with regards to the adoption of a General Reserve Policy with an explanation as to the high level of reserves being held.</i></p>
<p>Recommendation: as advised in the internal audit for the year ending 31st March 2021, Council should note the 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 adopted is in accordance with its 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). At the current level, Councils general reserves are considered to be excessive, and steps should be taken to review this matter at the earliest opportunity.</p>		

<p>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.</p>		
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 the monthly financial statements submitted to each relevant meeting and the bank statements and found to be in order.

⁶ In accordance with proper practices, the generally accepted minimum level of a Smaller Authority's General Reserve is that this should be maintained at between three (3) and twelve (12) months of Net Revenue Expenditure

		<i>Comment: Council is advised to ensure that all documentation upon which it is to make a decision is evidenced by either being attached to the minutes or uploaded as associated papers to the publicly accessible website.</i>
<i>Is income reported to full council?</i>	Yes	Income received is reported to full Council and included within the RFO's Financial Report as submitted at each relevant meeting. The RFO ensures that monies received are promptly banked.
<i>Does the precept recorded agree to the Council Tax Authority's notification?</i>	Yes	The council received precept of £17,110.00 during the year under review in April 2021. Evidence was provided showing the Precept being discussed and approved at the meeting of 15 th December 2020, the form being 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	Council received CIL receipts in the sum of £634.19 during the year under review.
<i>Is CIL income reported to the council?</i>	Yes	CIL payments received were reported within the detailed financial reports submitted by the RFO to Council at each relevant meeting.
<i>Does unspent CIL income form part of earmarked reserves?</i>	Yes	The Financial Statement for the year ending 31 st March 2022, shows that there is a retained balance of £9,389.39 which has been transferred into in an Earmarked Reserve specifically allocated, in accordance with the Regulations.
<i>Has an annual report been produced?</i>	Yes	Council has still to approve the Annual CIL Statement showing retained balances. A copy of the report showing receipts and expenditure for the year under review was submitted for internal audit purposes.
<i>Has it been published on the authority's website?</i>	<i>To be completed</i>	The Annual CIL Statement for the year 2021 - 2022 has not yet been uploaded onto the Council's website.
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

⁷ Community Infrastructure Levy Regulations 2010

<i>Is petty cash in operation?</i>	<i>Not covered</i>	Council does not operate a petty cash system.
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 2 employees on its payroll at the period end of 31st March 2021. Employment contracts were not reviewed during the internal audit which was carried out via remote means.
<i>Has the Council approved salary paid?</i>	Yes	All salary payments are authorised by full council.
<i>Minimum wage paid?</i>	Yes	The minimum wage is applied to one employee.
<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 is operated in accordance with HM Revenue and Custom guidelines and outsourced. Cross-checks were completed on payments covering salary and found to be in order. Deductions paid to HM Revenue and Customs during the year under review were made within the required timescales

<i>Is there evidence that the Council is aware of its pension responsibilities? Are pension payments in operation?⁸</i>	Yes	No pension deductions have been made from the Clerk's salary and it is noted that the Internal Audit report for the previous year states that Council is aware of its duties under employment legislation and has met its pension obligations. A Redecclaration of Compliance was completed in 2020.
<i>Are there any other payments (e.g.: expenses) and are these reasonable and approved by the Council?</i>	Yes	All expenses / payments made are against itemised invoices submitted to and approved by the Finance 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.		
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 within the Parish Council's remit for maintenance and ownership.
<i>Is the value of the assets included? (Note value for insurance purposes may differ)</i>	Yes	It is noted that the declared value for all assets at year-end (31 st March 2022) is £97,230 which represents nil change to that declared at 31 st March 2021.
<i>Are records of deeds, articles, land registry title number available?</i>	<i>Not covered</i>	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 shows a value of £97,230 which agrees with the value declared on the Draft Accounting Statements for the year ending 31 st March 2022.
<i>Cross checking of insurance cover</i>	Yes	Council has insurance under a Commercial Combined Insurance Policy for assets as specified on its insurance schedule.
Additional comments:		

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

⁹ Practitioners Guide

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 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 £43,208.87 as recorded in the Statement of Accounts and on the Year-end Bank Reconciliation.
<i>Is there regular reporting of bank balances at Council meetings?</i>	Yes	Financial reports detailing bank balances are submitted to the Council which also cover a summary of receipts and payments for the year to date. The minutes show that bank reconciliations are received and accepted at each meeting. <i>Comment: Council continues, as evidence of good financial practice, with the reported bank reconciliations at each meeting being verified and signed off by the Chairman of the Council. This not only safeguards the Responsible Financial Officer but also fulfils an internal control objective.</i>
Additional comments:		

Section 11 – year end procedures		
Evidence		Internal auditor commentary
<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 were presented for the internal auditor review.

<p><i>Has the appropriate end of year AGAR¹⁰ documents been completed?</i></p>	<p>Yes</p>	<p>As Council is a smaller authority with gross income and expenditure not exceeding £25,000 it will be required to complete the Annual Governance and Accountability Return Form 2.</p> <p><i>Comment: The Draft AGAR for the year ending 31st March 2022 was submitted for internal audit review.</i></p>
<p><i>Did the Council meet the exemption criteria and correctly declared itself exempt?</i></p>	<p>Partly met</p>	<p>Although the Parish Council did not have gross income and expenditure exceeding £25,000 and was able to declare itself exempt from a limited assurance review for the year 21/22, the minutes are unclear as to whether the Council, having reviewed the provisions for an exemption to a limited assurance review, formally resolved to apply for such an exemption. The minutes of the meeting of 24th August 2021 confirm that a revised Certificate was signed after an error had been discovered in the AGAR with the minutes of 25th May 2021 failing to mention that the Council satisfied the criteria for claiming an Exemption from a Limited Assurance Review.</p> <p><i>Comment: Council should note that without formal evidence of the resolution is required to show that a legal decision was taken to claim exemption. Without such formal evidence, the external auditor may only be able to log the parish council's intention to claim exemption and not that exemption has been claimed by the parish council.</i></p>
<p><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></p>	<p>No</p>	<p>The Internal Auditor is able to confirm that the period for the exercise of public rights for the year under review was 31st August to 12th October 2021 which is not in accordance with Regulation 15 of the Accounts and Audit Regulations 2015.</p> <p>Recommendation: Council should ensure that it reviews the publication requirements for the year ending 31 March 2022 as described on the front page of the Annual Governance and Accountability Return and comply with the requirements as set out in the Accounts and Audit Regulations 2015 for smaller authorities with income and expenditure not exceeding £25,000.</p>

¹⁰ Annual Governance & Accountability Return (AGAR)

<p><i>Have the publication requirements been met in accordance with the Regulations?¹¹</i></p>	<p>No</p>	<p>The Council has partially complied with the requirements of the Accounts and Audit Regulations 2015 for smaller authorities with income and expenditure not exceeding £25,000 for the year ending 31 March 2021 and published the following on a public website: Certificate of Exemption Annual Internal Audit Report Section 1 – Annual Governance Statement of the AGAR Section 2 – Annual Accounting Statements of the AGAR Notice of the period for the exercise of public rights The following were not seen on the website: Analysis of variances Bank reconciliation – year end</p>
<p>Recommendation: as Council has failed to make provision for the exercise of public rights in accordance with the Accounts and Audit Regulations of 2015, it must answer in the negative to Assertion 4 of the Annual Governance Statement for 2021/2022 and ensure that for the year ending 31st March 2022, it makes proper provision for the exercise of public rights.</p>		

<p>Section 12 – internal audit The internal auditor will revisit weaknesses and recommendations previously identified to see if these have been addressed. They will also check if any changes introduced require further verification to ensure effectiveness of the corrective action taken.</p>		
<p>Evidence</p>	<p><i>Internal auditor commentary</i></p>	
<p><i>Has the Council considered the previous internal audit report?</i></p>	<p>Yes</p>	<p>A review of the findings contained within the Annual Audit Report was presented to and considered by full Council at its meeting of 21st September 2021 following an initial review carried out by the Clerk and Chair on 13th September 2021.</p>
<p><i>Has appropriate action been taken regarding the recommendations raised?</i></p>	<p>Partly met</p>	<p>The following recommendations were contained within the report for the year ending 31st March 2021 – those in bold are outstanding: 1. Procedure for the approval of payments made outside of meetings 2. Financial Risk assessment to be carried out on an annual basis 3. Annual review of Council's Internal Controls</p>

¹¹ Accounts and Audit Regulations 2015

		<ol style="list-style-type: none"> 4. Annual review of the effectiveness of internal audit 5. Adopted of a reserves policy 6. Publication of the annual CIL report 7. Re-submission of AGAR following corrections to the accounting statements 8. Compliance with publication requirements under the Accounts and Audit Regulations 2015 for smaller authorities 9. Consideration of Internal Audit along with production of an Internal Audit Plan to deal with weaknesses identified 10. Registration with ICO 11. Compliance with GDPR
<i>Has the Council confirmed the appointment of an internal auditor?</i>	Yes	Suffolk Association of Local Councils was appointed as the Council's internal auditor at the meeting of 15 th March 2022.
Additional comments:		

Section 13 – external audit for the period under review		
The internal auditor will revisit the external audit so that previous weaknesses and recommendations can be considered.		
Evidence		<i>Internal auditor commentary</i>
<i>Has the Council considered the previous external audit report?¹²</i>	<i>Not applicable</i>	For the year 2020-2021 the Council was able to declare itself exempt from a limited assurance review.
Additional comments:		

Section 14 – additional information

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.*

The internal auditor will look for additional evidence of good record keeping, compliance with data protection regulations, freedom of information and website accessibility regulations.		
Evidence		Internal auditor commentary
Was the annual meeting held in accordance with legislation? ¹³ (Note to auditor- emergency Regulations because of the COVID-19 pandemic) ¹⁴	Yes	Council held its Annual Meeting of the Parish Council at which the Chair and other Officers were elected on 25 th May 2021. In accordance with the repeal of the Coronavirus Act 2020 legislation all meetings held after 7 th May 2021 were held in person.
Is there evidence that Minutes are administered in accordance with legislation? ¹⁵	Yes	Minutes are administered in accordance with legislation. Comment: whilst Council's minutes show apologies received, (where applicable), there is no formal record to show that Council has approved the apologies submitted. 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.
Is there a list of members' interests held?	Yes	Evidence was seen on the website of East Suffolk Council for the Register of Interests for all current Parish Councillors with access being gained from the Council's website.

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

<i>Does the Council have any Trustee responsibilities?</i>	None	
<i>Has the Transparency Code been correctly applied, and information published in accordance with current legislation?</i>	Partly met	<p>Council should be aware that with gross income and expenditure under £25,000 it will be required to follow the Local Government Transparency Code 2014 for smaller authorities. Council should ensure that the following are published on a public website in accordance with the dates prescribed by the relevant regulations (for the year 20/21 not later than 1 July):</p> <ul style="list-style-type: none"> Internal Audit Report List of Councillors and Responsibilities Items of Expenditure Above £100 including recoverable and non-recoverable VAT End of Year Accounts Annual Governance Statement Asset Register <p>and that Agendas of Meetings; Associated Papers and Minutes should be published in accordance with the prescribed timescales as set out in the Transparency code for smaller authorities – December 2014</p>
<i>Has the Council registered with the Information Commissioner's Office (ICO)?¹⁶</i>	Yes	<p>The council is correctly registered with the ICO as a Data Controller in accordance with legislation. Reference: ZA2721443. However, Council does not appear to have a Model Publication Scheme detailing the type of information the Council holds and how it will make it available to the public.</p> <p>Recommendation: Under the Freedom of Information Act 2000, public authorities must provide access to information held which must be published proactively. The Freedom of Information Act requires every public authority to have a publication scheme and to publish information covered by the scheme. Council should seek to review the information it holds and collate it into a publication scheme that is available on its website. Templates are available from the SALC website.</p>
<i>Is the Council compliant with the General Data Protection Regulation requirements?</i>	No	The Council has still to take steps to ensure compliancy.

¹⁶ Data Protection Act 2018

		Recommendation: As mentioned in the Internal Audit for 2021, Council should ensure that it reviews the data held by the Council and provides a comprehensive document that details the information held by the council, who it is shared with and how it is used. A Data Protection Policy would provide such a framework which would give the public information as to what can be expected in 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.
<i>Has the Council published a website accessibility statement on their website in line with Regulations?¹⁷</i>	Yes	There is a website accessibility statement available to view on the parish council website which details the technical information for the website are given along with the methods used for testing the website; steps being taken to improve accessibility and how the site is being improved to ensure that content meets the WCAG 2.1 Standard under Regulation 8 of the Public Sector Bodies (Websites and Mobile Applications) (No. 2) Accessibility Regulations 2018.
<i>Does the council have official email addresses for correspondence?¹⁸</i>	Yes	Council has its own email address which is owned by the parish council and not connected to a personal email account. <i>Comment: Council might wish to consider using a secure e-mail system with a gov.uk address which is owned by the parish council (section 5.16 of the Practitioners' Guide to Proper Practices – March 2021).</i>
<i>Is there evidence that electronic files are backed up?</i>	Yes	Council has in place a system whereby a back-up of Council's day to day records to a USB external drive is carried out on a monthly basis.
<i>Do terms of reference exist for all committees and is there evidence these are regularly reviewed?</i>	Not applicable	

Signed: Victoria Waples

Date of Internal Audit Visit: 19.04.22 & 26.04.22

Date of Internal Audit Report: 26.04.22

On behalf of Suffolk Association of Local Councils

¹⁷ Website Accessibility Regulations 2018

¹⁸ Practitioners Guide