

Internal Audit Report for Knodishall Parish Council for the period ending 31 March 2023

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| Clerk | D Sanders |
| RFO (if different) | |
| Chairperson | J Mayhew |
| Precept | £ 17,420.00 |
| Income | £ 21,900 |
| Expenditure | £ 20,879 |
| General reserves | £ 5,320.00 |
| Earmarked reserves | £ 6,289.24 (CIL) |
| Audit type | Annual |
| Auditor name | Linda Harley |

Introduction

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

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

- the effectiveness of operations
- the economic and efficient use of resources

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

Methodology

When conducting the audit, the internal auditor may:

- conduct a selective assessment of compliance with relevant procedures and controls expected to be in operation during the financial year in order to be able to complete the Annual Internal Audit Report 2022/23 of the Annual Governance and Accountability Return (AGAR)
- review the reliability and integrity of financial information and the means used to identify, measure, classify and report such information
- review the means of safeguarding assets and, as appropriate, verify the existence of such assets
- appraise the economy and efficiency with which resources are employed, identify opportunities to improve performance and recommend solutions to problems
- review the established systems to ensure compliance with those policies, procedures, laws, and regulations which could have a significant impact on operations, and determine whether the council complies
- review the operations and activities to ascertain whether results are consistent with objectives and whether they are being conducted as planned

| Section 1 – proper bookkeeping | | |
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| 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 ledger is well maintained and accurate. Comment: The Clerk is in the process of updating the method used to include all receipts on the cashbook excel spreadsheet. A list of credits received is published on the monthly financial report. |
| <i>Is the cash book up to date and regularly verified?</i> | Yes | Up to date accounting records are maintained throughout the year and referenced which provides evidence to support the Council's underlying accounting statements. |
| <i>Is the arithmetic correct?</i> | Yes | The arithmetic is correct. |
| Additional comments: | | |

| Section 2 – Financial Regulation and Standing Orders | | |
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| The internal auditor will check the date the Council conducted its annual review of both Standing Orders and Financial Regulations and in particular check if these are based on NALC'S latest model which include legislative changes. | | |
| Evidence | | <i>Internal auditor commentary</i> |
| Have Standing Orders been adopted, up to date and reviewed annually? | Yes | <i>The Council reviewed their Standing Orders at their meeting of 17/5/22 and this was noted in the minutes. The Standing Orders currently published on the website need an amendment to be up to date. Comment: Council may wish to update item 18(f) relating to the value of a contract where it is likely to exceed the threshold specified by the Office of Government Commerce.</i> |
| Are Financial Regulations up to date and reviewed annually? | Yes | <i>The Council reviewed their Financial Regulations at their meeting of 17/5/22 and this was noted in the minutes. Comment: Council may wish to update the thresholds relating to public contracts mentioned in the footnote of Item 11 Contracts.</i> |
| Has the Council properly tailored the Financial Regulations? | Yes | <i>The Financial Regulations have been tailored to the Council.</i> |
| Has the Council appointed a Responsible Financial Officer (RFO)? ¹ | Yes | <i>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 their financial affairs. This was evidenced in the minutes of 17/5/22.</i> |
| Additional comments: | | |

¹ Section 151 Local Government Act 1972 (d)

| Section 3 – Payment controls | | |
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| <p>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 | <p>The Council complies with its Financial Regulations and a sample of payments confirmed they were supported by invoices. Formal approval of the payments is shown in the minutes as a total amount but not individually listed.</p> <p><i>Comment:</i> As per Financial Regulations : A detailed list of all payments shall be disclosed within or as an attachment to the minutes of the meeting at which payment was authorised. Invoices should be initialled as confirmation that they have been checked, by 2 authorised signatories.</p> |
| Where applicable, are internet banking transactions properly recorded and approved? | Yes | <p>Council, in using internet banking for the settlement of its accounts, is mindful that all payments should be made in accordance with Council’s Financial Regulations and that evidence is retained showing which members approved the payment.</p> <p><i>Comment:</i> Council has shown good practice by including in their risk management information, the process for checking internet banking including: all payments being checked before the payment is made, signed off by 2 Councillors and the electronic confirmation is attached to the invoice.</p> <p>It was noted in the minutes of 19/7/22 that on-line banking has been set up. Council noted in the minutes of 16/8/22 the Financial Regulations relating to electronic payments and that the risk assessment has been updated to note that all electronic payments are signed off by 2 Councillors at the Council meeting and the Clerk attaches the electronic payment information, to the corresponding invoice.</p> |

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| Is VAT correctly identified, recorded, and claimed within time limits? | Yes | A VAT refund of £627.19 was noted in the Council’s Financial Report. VAT is identified in the cashbook. Information relating to VAT for audit year 2022-23 of £969.34 was evidenced. |
| Has the Council adopted the General Power of Competence (GPOC) and is there evidence this is being applied correctly? ² | No | <i>The Council has not adopted the General Power of Competence.</i> |
| Are payments under s.137 ³ separately recorded, minuted and is there evidence of direct benefit to electorate? | Yes | Section 137 of the Local Government Act 1972 (“the 1972 Act”) enables local councils to spend a limited amount of money for purposes for which they have no other specific statutory expenditure. The basic power is for a local council to spend money (subject to the statutory limit – of £8.82 per elector) on purposes for the direct benefit of its area, or part of its area, or all or some of its inhabitants. Council notes payments made under this power in the cashbook. No payments were noted during the audit year. |
| Where applicable, are payments of interest and principal sums in respect of loans paid in accordance with agreements? | N/A | The Council has no Public Works Loan and as such incurred no interest payments for the period under review. |
| Additional comments: | | |

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| 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 |

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

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| <p><i>Is there evidence of risk assessment documentation?</i></p> | <p>Yes</p> | <p>The Risk Assessment Document for the period 2022-2023 covers in general terms the matters which could possibly prevent a smaller relevant body from functioning. They have taken appropriate steps to manage those risks including the introduction of internal controls and external insurance cover. The Council showed good practice by completing a risk assessment for the Jubilee event. This was noted in the minutes of 17/5/22. Comment: The risk register is dated 2022 however the Council should note in the minutes the annual review of all risk assessment documentation .</p> |
| <p><i>Is there evidence that risks are being identified and managed?</i></p> | <p>Yes</p> | <p>Council has Risk Assessment document which identifies the risks associated with ensuring that public finances are adequately protected and managed and has taken steps to mitigate such risks. Comment: the documentation of the specific control procedures that have been adopted by the council for payments not only protects the RFO but also fulfils an internal control objective. Vandalism at the playground was noted in the minutes of 21/6/22 along with how it is being managed. The annual independent inspection of the playground was noted in the minutes of 22/11/22 with the Council discussing the items raised.</p> |
| <p><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></p> | <p>Yes</p> | <p>General Insurance is in place under a Hiscox continuous Commercial Policy Schedule and shows core cover including Business Interruption, Public Liability and Employer’s Liability of £10m. The level of Fidelity Guarantee Cover is within the recommended guidelines of the Council’s balance at 31/3/23 + the annual precept. The review of the insurance document was noted in the Council’s minutes.</p> |
| <p><i>Evidence that internal controls are documented and regularly reviewed⁴</i></p> | <p>Yes</p> | <p>The Council has shown that it has a system of internal control which facilitates the effective exercise of its functions, ensures that the financial and operational management of the authority is effective and includes effective arrangements for the management of risk. The document was updated in 2022. Comment: Council may wish to include in their minutes the annual review of their internal controls.</p> |

⁴ Accounts and Audit Regulations

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| <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>No</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> | | |

⁵ Practitioners Guide

| Section 5 – Budgetary controls | | |
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| 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 | <p>The Council prepared and formally approved the budget for the year, prior to the setting of the precept.</p> <p>The budget for the year 2022/2023 in the sum of £17,420 was approved by full Council at a meeting on 16/11/21 but there is no evidence written into the minutes for the sum set.</p> <p>Comment: to show good practice, Council might wish to evidence in the minutes, that it has followed the recommended key stages as to the budgetary process to be followed for the year:</p> <ul style="list-style-type: none"> • decide the form and level of detail of the budget; • assess levels of income; • provide for contingencies and consider the need for reserves; • approve the budget |
| <i>Verify that the precept amount has been agreed in full Council and clearly minuted</i> | Partly met | <p>The precept amount has been agreed in full Council and it is noted in the minutes that the budget for 2022-23 has been set.</p> <p>Comment: Council may wish to include in the minutes, following the adoption of the budget, a note to confirm that the precept has been considered, approved and adopted with the amount being quoted.</p> |
| <i>Regular reporting of expenditure and variances from budget</i> | Yes | <p>The Council’s monthly financial reports show expenditure against budget. A half yearly expenditure form against budget was provided.</p> |

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| <i>Reserves held – general and earmarked⁶</i> | Yes | Council’s final accounts show general reserves in the sum of £5320.00 with restricted reserves in the sum of £6,289.24(CIL). |
| <i>Additional comments:</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

| Section 6 – income controls | | |
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| 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 | Expected income was received, recorded in the monthly financial reports presented to the Council and promptly banked. Several items of income were cross checked against the bank statements and found to be in order. Comment: The Clerk has confirmed that income received will be included in the cashbook for 2023-24. Evidence of all income received should also be included in the minutes. This could be easily achieved by appending the monthly financial reports to the minutes. |
| <i>Is income reported to full council?</i> | Yes | Income is included in the monthly financial reports submitted to the Council. |
| <i>Does the precept recorded agree to the Council Tax Authority’s notification?</i> | Yes | The council received precept of £17,420.00 during the year under review in April and September 2022 which agrees with East Suffolk Council’s notification. |
| <i>If appropriate, are CIL reporting schedules in accordance with the Regulations?⁷</i> | Yes | In accordance with the 2010 Regulations, the Council having received a proportion of CIL funds has ensured that retained balances are transferred into the Earmarked Reserve specifically allocated. CIL balances are also noted in the monthly financial reports issued to the Council. Comment: Council should note its duty to comply with the CIL Regulations to produce an annual report that details the amount of CIL funds received, spent and retained for each financial year until the funds are totally expended. Each annual report should be uploaded onto the Councils website by 31 st December. The annual report for the year ending 31 st March 2023 should be uploaded onto its website by 31 st December 2023. |
| <i>Is CIL income reported to the council?</i> | Yes | |
| <i>Does unspent CIL income form part of earmarked reserves?</i> | Yes | |
| <i>Has an annual report been produced?</i> | Yes | |
| <i>Has it been published on the authority’s website?</i> | Yes | |
| Additional comments: | | |

⁷ Community Infrastructure Levy Regulations 2010

| Section 7 – petty cash | | |
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| 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> | N/A | A petty cash system is not used. |
| <i>If appropriate, is there an adequate control system in place?</i> | N/A | |
| Additional comments: | | |

| Section 8 – Payroll controls | | |
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| The Internal Auditor will check salaries were approved in accordance with PAYE, NI, Pension and that there is a clear understanding that the clerk is not self-employed. The Internal Auditor will also review how payroll is managed including evidence of approval of payslips. | | |
| Evidence | | Internal auditor commentary |
| <i>Do all employees have contracts of employment?</i> | Yes | Employment contracts were not reviewed during the internal audit but confirmation has been received that a contract is in place. In accordance with Proper Practices, the Council has ensured that the remuneration payable to all employees has been approved in advance by the Council. The Council approved the salary paid to the Clerk which was noted in the minutes of 22/11/22. |
| <i>Has the Council approved salary paid?</i> | Yes | |
| <i>Minimum wage paid?</i> | Yes | |
| <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 | The payroll function is operated within the RTI system. Cross-checks were completed on two payments covering salary and PAYE and were found to be in order. 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 employment legislation. |
| <i>Do salary payments include deductions for PAYE/NIC? Is PAYE/NIC paid promptly to HMRC?</i> | Yes | In accordance with Proper Practices, PAYE taxes and employee and employer National Insurance contributions (NIC) are calculated and recorded for every employee. |
| <i>Is there evidence that the Council is aware of its pension responsibilities? Are pension payments in operation?⁸</i> | Yes | In line with their pension responsibilities, in January 2023 the Council has completed a re-declaration of compliance with regards to automatic enrolment duties. This was registered with The Pensions Regulator. |
| <i>Are there any other payments (e.g.: expenses) and are these reasonable and approved by the Council?</i> | Yes | Expenses are reasonable and approved by the Council. |
| Additional comments: | | |

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

| Section 9 – Asset control | |
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| <p>The Internal Audit will be seeking to establish if there is a list of assets in accordance with proper practices including the date of acquisition, location, and value. This extends to checking policies (with evidence of review) and that the Council has applied the documented approach in practice. The Internal Auditor will check not only valuation processes but the existence of reserve budgets for depreciation and adequacy of insurance. A clear audit trail should be available when items are purchased including minutes to evidence approval.</p> | |
| Evidence | Internal auditor commentary |
| <p><i>Does the Council maintain a register of material assets it owns and manage this in accordance with proper practices?⁹</i></p> | <p>The Council’s assets are properly maintained and efficiently managed. The Asset Register was reviewed during the Internal Audit for year-end and accurately 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 (31.03.2023) was £155,515. The figure for the previous year end was £97,230. Council have revalued their assets this year.</p> <p>Recommendation: Guidance states that if the Council change the method of asset valuation, during the year, the figures on the AGAR for the previous year will need to be re-stated. The approved approach to asset valuation should be set out in a policy. The asset valuation should not change year on year unless that asset is materially enhanced. Revaluation is not required/ should not be used for local authorities method of valuation. If the revaluation is not for disposal, enhancement or acquisition, the figures should be adjusted on the AGAR.</p> <p>Comment: Council may wish to review information contained in the Practitioners Guide Items 5.56-5.66 which explains information needed within as asset register.</p> |
| <p><i>Is the value of the assets included? (Note value for insurance purposes may differ)</i></p> | |
| <p><i>Are records of deeds, articles, land registry title number available?</i></p> | |

⁹ Practitioners Guide

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| <i>Is the asset register up to date and reviewed annually?</i> | Yes | The Asset Register value has been stated on the Annual Governance and Accountability Return (AGAR) . The Council carried out a review of their asset register and this was recorded in the minutes of 18/10/22. |
| <i>Cross checking of insurance cover</i> | Yes | Insurance cover is provided by Hiscox under a continual cover policy. The Council compared the asset register with their insurance schedule to ensure that all assets as recorded are appropriately insured. Several items as listed under the Asset Register were reviewed against items under insurance and cover was deemed to be appropriate. This review was noted in the minutes of 18/10/22. |
| <i>Additional comments:</i> | | |

| Section 10 – bank reconciliation | | |
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| 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 | The annual bank reconciliation was approved by the Council at the meeting on 15/4/22. There is regular reporting of the bank balances in the Council’s financial reports. |
| <i>Do bank balances agree with bank statements?</i> | Yes | The bank balances listed on the annual bank reconciliation agree with the bank statements. |
| <i>Is there regular reporting of bank balances at Council meetings?</i> | Yes | Bank balances are included in the monthly financial reports. |

| Section 11 – year end procedures | | |
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| Evidence | | Internal auditor commentary |
| Are appropriate accounting procedures used? | Yes | Accounting statements prepared during the year are produced on a Receipts and Payments basis and agree to the cashbook. All were found to be in order. |
| Financial trail from records to presented accounts | Yes | There is a clear audit trail from the financial records held to the presented accounts. |
| Has the appropriate end of year AGAR ¹⁰ documents been completed? | Yes | As Council is a smaller authority with gross income and expenditure not exceeding £25,000 it has completed Part 2 of the AGAR. |
| Did the Council meet the exemption criteria and correctly declared itself exempt? | Yes | The Council noted in their minutes of 15/4/22 their exemption and declared themselves exempt however no resolution of the council was made. Comment: Council may wish to note in the minutes details of the resolution passed to declare themselves exempt from a limited assurance review. |
| 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? | No | The Council, during the previous year, did not correctly provided for the period of public rights as required by the Accounts and Audit Regulations. The auditor evidenced that the dates for the exercise of public rights were from 18/5/21 to 23/5/21. Recommendation: Inline with the Accounts and Audit Regulations Council must allow a 30 working day period for the inspection of the accounting records. In Section 1 of the Annual Governance Statement, Item 4 should be given a negative annotation as the Council had not provided the proper opportunity during the year for the exercise of electors’ rights. |
| Have the publication requirements been met in accordance with the Regulations? ¹¹ | Partly met | The Council has partly complied with the requirements of the Accounts and Audit Regulations 2015, the Local Audit (Smaller Authorities) Regulations 2015 and the |

¹⁰ Annual Governance & Accountability Return (AGAR)

¹¹ Accounts and Audit Regulations 2015

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| | | <p>Transparency Code for Smaller Authorities and has published the following on a public website:</p> <ul style="list-style-type: none">Certificate of ExemptionAnnual Internal Audit Report of the AGARNotice of the period for the exercise of public rights and other information required by Regulation 15 (2) Accounts and Audit Regulations 2015.Bank Reconciliation for the period ending 31st March 2022 <p>Recommendation: To be fully compliant with the requirements of the Accounts and Audit Regulations the Council should publish on their website the following documents as detailed on the front page of the AGAR:</p> <ul style="list-style-type: none">Analysis of variancesSection 1 – Annual Governance Statement of the AGARSection 2 – Accounting Statement of the AGAR |
| <p><i>Additional comments:</i></p> | | |

| Section 12 – internal audit | | |
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| 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> |
| <i>Has the Council considered the previous internal audit report?</i> | Yes | The Internal Auditor’s Report for the year ending 31 st March 2022 was considered and accepted at the meeting of the Parish Council on 17/3/22. Comment: It would be good practice for the Council to include in the minutes a note of any recommendations raised under the internal audit report and how they will be corrected. |
| <i>Has appropriate action been taken regarding the recommendations raised?</i> | Partly met | The following items were raised under the internal audit 2021-22. Items in bold are still outstanding: <ol style="list-style-type: none"> 1. Review of effectiveness of internal controls 2. Review of the effectiveness of internal audit 3. Levels of reserves held 4. Publication requirements for the exercise of public rights 5. Councillors apologies not approved in minutes 6. Freedom of information Act publication scheme 7. General Data Protection Regulation publication requirements Recommendation: AGAR Section 1 Item 7 should be given a negative assertion as the Council did not take appropriate action on matters raised by the internal auditor. |
| <i>Has the Council confirmed the appointment of an internal auditor?</i> | Yes | The minutes of March 2023 confirm the appointment of SALC as the internal auditor. |
| Additional comments: | | |

| Section 13 – external audit for the period under review | | |
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| 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> | N/A | No external report was provided by the external auditors as the Council was able to certify itself as exempt from a Limited Assurance Review. Confirmation was received from the external auditor and noted in the minutes of 21/6/22. |
| <i>Has appropriate action been taken regarding the comments raised?</i> | N/A | |
| Additional comments: | | |

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.*

| Section 14 – additional information | | |
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| The internal auditor will look for additional evidence of good record keeping, compliance with data protection regulations, freedom of information and website accessibility regulations. | | |
| Evidence | | <i>Internal auditor commentary</i> |
| <i>Was the annual meeting held in accordance with legislation?</i> ¹³ | Yes | The Annual Meeting of the Parish Council was held on 17/5/22 with the first item on the agenda being the election of the Chairman in accordance with the Local Government Act of 1972 Schedule 12, paragraph 7(2) and Schedule 15(2). |
| <i>Is there evidence that Minutes are administered in accordance with legislation?</i> ¹⁴ | Partly met | Minutes are administered in accordance with legislation. <i>Comment: whilst Council's minutes show apologies received, (where applicable), there is no formal record to show that Council has approved the apologies submitted.</i> 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. |
| <i>Is there a list of members' interests held?</i> | Yes | A list of members' interests is held on the District Council's website. |
| <i>Does the Council have any Trustee responsibilities and if so, are these clearly identified in a Trust Document?</i> | No | |
| <i>Has the Transparency Code been correctly applied, and information published in accordance with current legislation?</i> | Partly met | 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 |

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

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

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| | | <p>public website in accordance with the dates prescribed by the relevant regulations (for the year 20/21 not later than 1 July):</p> <p>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> <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)?¹⁵</i> | Yes | The Council is registered with the Information Commissioner’s Office (ICO) as a Data Controller. Under the data Protection Act 2018 and Registration ZB2119 refers. |
| <i>Is the Council compliant with the General Data Protection Regulation requirements?</i> | No | <p>The Council has still to take steps to ensure compliancy.</p> <p>Recommendation: As mentioned in the Internal Audit for 2021 and 2022, 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.</p> |
| <i>Has the Council published a website accessibility statement on their website in line with Regulations?¹⁶</i> | No | <p>The auditor was unable to find the website accessibility statement on the Council’s website.</p> <p>Comment: Council may wish to publish on their website an accessibility statement, 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</p> |

¹⁵ Data Protection Act 2018

¹⁶ Website Accessibility Regulations 2018

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| | | Standard under Regulation 8 of the Public Sector Bodies (Websites and Mobile Applications) (No. 2) Accessibility Regulations 2018. |
| <i>Does the council have official email addresses for correspondence?¹⁷</i> | Yes | In line with the Practitioners Guide, the Council has an official email address for correspondence knodishallpc@outlook.com |
| <i>Is there evidence that electronic files are backed up?</i> | Yes | The Council's risk register confirms that electronic files are backed up. |
| <i>Do terms of reference exist for all committees and is there evidence these are regularly reviewed?</i> | No | The Council does not have any committees. |
| Additional comments: | | |

Signed: Linda Harley

Date of Internal Audit Report: 24/4/23

On behalf of Suffolk Association of Local Councils

¹⁷ Practitioners Guide