

Internal Audit Report for Capel St Mary for the year ending 31st March 2022

Clerk	Julie Lawes
RFO (if different)	
Chairperson	Christine Matthews
Precept	£ 94,554.00
Income	£ 151,345.72
Expenditure	£ 102,147.28
General reserves	£ 17,232.52
Earmarked reserves	£ 161,199.19
CIL reserves	£ 197,988.77
Audit type	Annual
Auditor name	Victoria Waples

Introduction

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

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

- the effectiveness of operations
- the economic and efficient use of resources
- compliance with applicable policies, procedures, laws, and regulations

- the safeguarding of assets and interests from losses of all kinds, including those arising from fraud, irregularity, and corruption
- the integrity and reliability of information, accounts, and data

Methodology

When conducting the audit, the internal auditor may:

- conduct a selective assessment of compliance with relevant procedures and controls expected to be in operation during the financial year in order to be able to complete the Annual Internal Audit Report 2020/21 of the Annual Governance and Accountability Return (AGAR)
- review the reliability and integrity of financial information and the means used to identify, measure, classify and report such information
- review the means of safeguarding assets and, as appropriate, verify the existence of such assets
- appraise the economy and efficiency with which resources are employed, identify opportunities to improve performance and recommend solutions to problems
- review the established systems to ensure compliance with those policies, procedures, laws, and regulations which could have a significant impact on operations, and determine whether the council complies
- review the operations and activities to ascertain whether results are consistent with objectives and whether they are being conducted as planned

Section 1 – proper bookkeeping		
The internal auditor will look at the methods and processes used to manage the council’s accounts and in particular that it provides clear data for reporting and monitoring purposes. This includes checking information is accurate, kept up to date, referenced and verified.		
Evidence		<i>Internal auditor commentary</i>
<i>Is the ledger maintained and up to date?</i>	Yes	The council uses an excel spreadsheet to produce reports on a Receipts and Payments basis and ensures that the financial transactions of the parish council are as accurate as reasonably practicable.
<i>Is the cash book up to date and regularly verified?</i>	Yes	The Responsible Financial Officer (RFO) has continued to ensure that the cashbook is the focus for day-to-day accounting and is aware that the balancing off and reconciliation to the bank statement remains the most important control over the accounting system. The cashbook is reconciled on a monthly basis.
<i>Is the arithmetic correct?</i>	Yes	A number of spot checks were carried out and the functionality of the cashbook was found to be in order.
Additional comments:		

Section 2 – Financial Regulation and Standing Orders		
The internal auditor will check the date the Council conducted its annual review of both Standing Orders and Financial Regulations and in particular check if these are based on NALC’S latest model which include legislative changes.		
Evidence		<i>Internal auditor commentary</i>
Have Standing Orders been adopted, up to date and reviewed annually?	Yes	The Council reviewed its Standing Orders at its meeting of 13 th December 2021, 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 2018 which take into account changes in legislation since those produced in 2013.
Are Financial Regulations up to date and reviewed annually?	Yes	The Council’s Financial Regulations were reviewed at the same meeting, a copy of which can be found on the Council's website and 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 (the Clerk) to be responsible for the administration of the financial affairs of the relevant authority.
Additional comments: <i>Comment: Council might wish to note that LTN87 – Procurement - has provided an update on the thresholds for procuring contracts. The amended values should be incorporated into the Council's Standing Orders and Financial Regulations at the next annual review.</i>		

<p>Section 3 – Payment controls The internal auditor will specifically check bank reconciliation including credit/debit cards and management approval processes and evidence that internal Financial Regulations (FO) are being followed. The internal auditor will examine how regular payments are managed and specifically seek evidence that these have been brought back to the Council for verification purposes especially where the actual payment made differs from the amount previously agreed. VAT should be clearly identified including evidence that claims have been correctly managed. The internal auditor will check if the Council has a clear understanding on eligibility in relation to the General Power of Competence and that s.137 has been correctly applied and managed.</p>		
Evidence		<i>Internal auditor commentary</i>
Is there supporting paperwork for payments with appropriate authorisation?	Yes	At each full Council Meeting a list of all payments is presented to the meeting with formal approval of such expenditure being shown in the minutes and evidence of such paperwork in the files submitted for internal audit. Payments made away from the meeting are also brought back to full Council as retrospective payments and approved at the next meeting.
Where applicable, are internet banking transactions properly recorded and approved?	Yes	Internet banking is operated in accordance with the Council's own Financial Regulations. The RFO has ensured that the Council has implemented the procedure whereby evidence is retained showing which Councillors authorised the release of the payment by having the invoice initialled by the member who authorise the online payment in accordance with the payment spreadsheet as submitted at each meeting.

¹ Section 151 Local Government Act 1972 (d)

Is VAT correctly identified, recorded, and claimed within time limits?	Yes	VAT is clearly identified in the ledger book and claimed in accordance with the guidelines for local authorities and similar bodies. The VAT claim for the period 1 st February 2021 to 31 st October 2021 is verified in the cashbook and was claimed prior to year-end. The claim for the period covering 1 st November 2021 to 31 st March 2022 is still to be settled.
Has the Council adopted the General Power of Competence (GPOC) and is there evidence this is being applied correctly? ²	Yes	<p>At the meeting of 10th June 2019, full Council confirmed that having met the criteria to adopt the General Power of Competence (Prescribed under Conditions) Order 2012, it would resolve that it be adopted and that it would come into force the day after the day on which it was made (45.11). It is noted that at the meeting of 14th June 2021, Council confirmed that it was no longer eligible to use the GPOC as it no longer had two thirds of the council as elected members.</p> <p><i>Comment: Loss of Eligibility - if the council loses its qualified clerk or has insufficient elected councillors, then it must record its ineligibility at the next 'relevant' annual meeting of the council (after the ordinary election). If it has already started an activity under the GPOC for which there is no other specific power, it remains eligible for the purpose of completing that activity, but it can't start anything new under the power until it is in a position to make the formal decision that it meets the criteria. The council must go back to identifying whether it has a specific power to act and use the restricted s137 if there is no appropriate specific power.</i></p>
Are payments under s.137 ³ separately recorded, minuted and is there evidence of direct benefit to electorate?	Not applicable	<p>The Council is able to use the General Power of Competence to incur expenditure that in its opinion is in the interests of and will bring benefit to its area and any of it or all of some of its inhabitants.</p> <p><i>Comment: see comment above with regards to new projects.</i></p>
Where applicable, are payments of interest and principal sums in respect of loans paid in accordance with agreements?	Not applicable	The Council has no such loans.

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.

Additional comments:

Section 4 – Risk management		
The internal auditor will expect to find evidence of the management of risks from identification of what those are for each individual Council through to how these will be managed and the controls in place to mitigate these and that these have been approved by the Council.		
Evidence		Internal auditor commentary
<i>Is there evidence of risk assessment documentation?</i>	Yes	The risk assessment documentation submitted for Internal Audit provides details of the risks associated with the functioning of a smaller authority and the measures that the Council will undertake to mitigate such risks. The Risk Assessment for the year under review was reviewed by the Finance Working Group at its meeting of 3 rd June 2021.
<i>Is there evidence that risks are being identified and managed?</i>	Yes	Council is aware that risk assessment needs to focus on the safety of the parish council's assets and in particular its money. There is evidence that overall the parish council has taken action to identify and assess those risks and has considered what actions or decisions it needs to take during the year to manage in order to avoid financial or reputational consequences.
<i>Does the Council have appropriate and adequate insurance cover in place for employment, public liability and fidelity guarantee and has been reviewed on an annual basis?</i>	Yes	Council has insurance in place under a Select for Local Council Policy with Zurich Municipal which shows core cover for the following: Public liability: £10m; Public/Products Liability: £10m; Property – Allotments, Garage, Storage & Sales Shop and Fidelity Guarantee of £250k. An annual review of the Council's insurance was undertaken during the year with Council being aware that it is the responsibility of the Council as a whole to satisfy itself that insurances are adequate and that all steps have been taken to mitigate and manage identified risks with appropriate insurance. <i>Comment: see recommendation below with regards to Fidelity Guarantee.</i>

<p><i>Evidence that internal controls are documented and regularly reviewed⁴</i></p>	<p>Yes</p>	<p>In accordance with the Accounts and Audit Regulations 2015, Council is aware that it should formally review the effectiveness of its system of internal control to ensure that it has mitigation measures on place to address the risks associated with the management of public finances.</p> <p><i>Comment: the Council's internal control measures are contained within its Internal Control Statement which was presented to and adopted by full Council at its meeting of 12th July 2021. The interim review of the council's internal controls were carried out in June 2021 and reported at the same meeting.</i></p>
<p><i>Evidence that a review of the effectiveness of internal audit was conducted during the year, including consideration of the independence and competence of the internal auditor prior to their appointment⁵</i></p>	<p>Yes</p>	<p>The effectiveness of internal audit was discussed by full Council during the discussion of the approval and adoption of the internal control statement for the year ending 31st March 2022 at the meeting of 12th July 2021.</p> <p><i>Comment: by reviewing the terms of reference and effectiveness for internal audit, the council has followed guidance and demonstrated that it recognises that the function of internal audit is to test and report to the authority on whether its system of internal control is adequate.</i></p>
<p><i>Additional comments:</i> Recommendation: as recommended guidelines states that the level of Fidelity Guarantee should be at least the sum of the year-end balances plus 50% of the precept/grant being received in April of the following year, Council is urged to review this at the earliest opportunity. It is noted that this comment was raised within the internal audit review for the previous year.</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>

⁴ Accounts and Audit Regulations

⁵ Practitioners Guide

<i>Verify that budget has been properly prepared and agreed</i>	Yes	The budget for the year 2021-2022 in the sum of £100,549.60 was approved at the Council meeting of 11 th January 2021.
<i>Verify that the precept amount has been agreed in full Council and clearly minuted</i>	Yes	The precept was set at £94,554 for 2021/2022, as confirmed at the above meeting, with the minutes demonstrating that this was a nil% increase per Band D property, as well as noting that there was an overall decrease in the tax base as compared to the previous year. The minutes also demonstrated that Council was aware that it would be receiving a Local Council Tax Grant of £995 for 2021-2022 only.
<i>Regular reporting of expenditure and variances from budget</i>	Yes	In accordance with Council's own standing orders and terms of reference, a quarterly statement summarizing the Council's receipts and payments and aggregate receipts and payments for the year to date with balances held is submitted and considered by the Council. The reports provide evidence of comparisons between budgeted and actual income and expenditure and form the basis of approval for virements in accordance with Council's own Financial Regulations.
<i>Reserves held – general and earmarked⁶</i>		Council's final accounts show general reserves in the sum of £17,232.52 with earmarked reserves in the sum of £161,19.19 Restricted Reserves (CIL) in the sum of £197,623.85. During the year under review, Council adopted a Reserves Policy which was used as the basis for the allocation of Council's General Reserves as well as a formal review of the Council's Earmarked Reserves.
<p>Additional comments: <i>Comment: Council shows good practice by ensuring the recommended key stages as to the budgetary process are followed for the year:</i></p> <ul style="list-style-type: none"> • <i>decide the form and level of detail of the budget;</i> • <i>review the current year budget and spending;</i> • <i>determine the cost of spending plans;</i> • <i>assess levels of income;</i> • <i>bring together spending and income plans;</i> • <i>provide for contingencies and consider the need for reserves;</i> • <i>approve the budget;</i> • <i>confirm the precept or rates and special levies; and</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

- review progress against the budget regularly throughout the year.

Section 6 – income controls		
The internal auditor will seek evidence to ensure income is correct managed – recorded, banked, and reported and test mechanisms used to achieve this.		
Evidence		Internal auditor commentary
<i>Is income properly recorded and promptly banked?</i>	Yes	Income is recorded in accordance with Council's Financial Regulations. A number of items of income were cross checked against cash book and bank statement and found to be in order and recorded in accordance with Proper Practices. The RFO has continued to ensure that the accounting records contain all day-to-day entries of all sums of money received.
<i>Is income reported to full council?</i>	Yes	Income received is reported to full Council and included within the Council's receipts and payments for each quarter as submitted. 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 £94,554.00 during the year under review in April and September 2020. Evidence was provided showing a full audit trail from Precept being discussed and approved at the meeting of 11 th January 2021, served on the Charging Authority to receipt of same in the Council's Bank Account.
<i>If appropriate, are CIL reporting schedules in accordance with the Regulations?⁷</i>	Yes	For the year under review Council receive CIL Receipts in the sum of £44,087.30.
<i>Is CIL income reported to the council?</i>	Yes	CIL receipts are reported to full Council once received by the Council.
<i>Does unspent CIL income form part of earmarked reserves?</i>	Yes	In accordance with the 2010 Regulations, the Council having a retained balance of CIL funds has ensured that retained balances are transferred into an Earmarked Reserve specifically allocated. Retained balance at 31 st March 2022 was £197,623.85.

⁷ Community Infrastructure Levy Regulations 2010

<i>Has an annual report been produced?</i>	Yes	Whilst Council still has to formally approve the Annual CIL Statement, a copy of the Annual Report was submitted for internal audit and viewed on the Council's website.
<i>Has it been published on the authority's website?</i>	Yes	The report for the year ending 31 st March 2022 has been uploaded onto the Council's website as a Draft Document at the time of internal audit.
Additional comments:		

Section 7 – petty cash The Internal Auditor will seek evidence that the Council has followed its own policies, procedures, and verification processes and that these are up to date.		
Evidence		Internal auditor commentary
<i>Is petty cash in operation?</i>	<i>Not applicable</i>	Petty cash is not operated by the Council.
Additional comments:		

Section 8 – Payroll controls The Internal Auditor will check salaries were approved in accordance with PAYE, NI, Pension and that there is a clear understanding that the clerk is not self-employed. If the Clerk was recruited after 1 st April 2011, evidence will be required to show compliance with the new requirements for the statement of employment, Induction, probation periods and training requirements. The Internal Auditor will also review how payroll is managed including evidence of approval of payslips.		
Evidence		Internal auditor commentary
<i>Do all employees have contracts of employment?</i>	Yes	Council had 1 employee on its payroll at the period end of 31 st March 2022. Employment contracts were not reviewed during the internal audit.
<i>Has the Council approved salary paid?</i>	Yes	All salary payments are authorised by full council.

<i>Minimum wage paid?</i>	No	
<i>Are arrangements in place for authorising of the payroll and payments to the council? Does this include a verification process for agreeing rates of pay to be applied?</i>	Yes	There are suitable payroll arrangements in place which ensures the accuracy and legitimacy of payments of salaries and wages, and associated liabilities and as such the council has complied with its duties under legislation.
<i>Do salary payments include deductions for PAYE/NIC? Is PAYE/NIC paid promptly to HMRC?</i>	Yes	The payroll function for the year under review is operated in accordance with HM Revenue and Customs guidelines. Cross-checks were completed on three payments covering salary and PAYE were found to be in order. Deductions paid to HM Revenue and Customs during the year under review were made in accordance with timescales as set out in the regulations.
<i>Is there evidence that the Council is aware of its pension responsibilities? Are pension payments in operation?⁸</i>	Yes	Council is aware of its pension responsibilities with the member of staff being a member of the NEST Pension scheme. Payments were made in accordance with timescales specified. <i>Comment: at the meeting of 14th February 2022, the Clerk confirmed that the council had completed its re-declaration of compliance with The Pensions Regulator under the Pensions Act 2008.</i>
<i>Are there any other payments (e.g.: expenses) and are these reasonable and approved by the Council?</i>	Yes	Council is aware of the changes in the Practitioners Guide for 2020 on the treatment of what can be included as employment expenses within the Annual Governance and Accountability Guide 2020 - section 2.16 refers and submitted within Box 4 of the AGAR. All expenses / payments made are against itemised invoices submitted to and approved by 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

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

<p>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
Does the Council maintain a register of material assets it owns and manage this in accordance with proper practices? ⁹	Yes	<p>The Asset Register was reviewed during the Internal Audit Visit for year-end and reflects those items listed under insurance and within the Parish Council's remit for maintenance and ownership. It is noted that the declared value for all assets at year-end (31.03.2022) is £114,036.18. This shows a significant variation from that declared at 31st March 2021 (£57,722).</p> <p><i>Comment: during the year 2021-2022, a further review of the asset register was undertaken with a number of items being added to the register. Council should be aware that an explanation along with a breakdown of the figures will need to be provided to the External Auditor for the significant variation.</i></p>
Is the value of the assets included? (Note value for insurance purposes may differ)	Yes	<p>Council is mindful of the guidance within the Governance and Accountability for Smaller Authorities in England March 2021 on the valuation of its assets and has ensured that where the acquisition value of the asset at the time of first recording is used, that method of valuation has been consistently applied and if/where amended, it will need to publish and provide explanations in changes in value to any previously recorded assets</p>
Are records of deeds, articles, land registry title number available?	Not applicable	<p>Records of deeds, articles, land registry title number were not reviewed during the internal audit which was carried out via remote means.</p>
Is the asset register up to date and reviewed annually?	Yes	<p>The asset register is still to be signed off by the council however, the assets declared on the Accounting Statements of the AGAR are expected to reflect the Council's Asset Register value as seen on the website as £174,683 (rounded).</p>
Cross checking of insurance cover	Yes	<p>Council has insurance under a Select for Local Council Policy with Zurich Municipal for assets as specified on its insurance schedule.</p>
Additional comments:		

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 a 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, the balance across the councils accounts stood at £376,420.48 as recorded in the Draft Statement of Accounts and on the Year-end Bank Reconciliation.
<i>Is there regular reporting of bank balances at Council meetings?</i>	Yes	Balances across the Council's accounts are reported at each meeting of full Council. In accordance with Council's Internal Control Statement, a Councillor is appointed to have responsibility for bank reconciliation checks.
Additional comments:		

Section 11 – year end procedures		
Evidence		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 and supporting documentation were well presented for the internal auditor review.
<i>Has the appropriate end of year AGAR¹⁰ documents been completed?</i>	Yes	As Council is a smaller authority with gross income and expenditure exceeding £25,000 it will be required to complete Part 3 of the AGAR.

¹⁰ Annual Governance & Accountability Return (AGAR)

		Section 2 - Accounting Statements of the AGAR were completed but unsigned by the RFO at the time of Internal Audit.
<i>Did the Council meet the exemption criteria and correctly declared itself exempt?</i>	<i>Not applicable</i>	As the Parish Council had gross income and expenditure exceeding £25,000 it was not able to declare itself exempt from a limited assurance review.
<i>During the period in question did the small authority demonstrate that it correctly provided for the exercise of public right as required by the Accounts and Audit Regulations 2015?</i>	Yes	The Internal Auditor is able to confirm that the parish council can demonstrate that it correctly provided for the exercise of public rights as required by the 2015 Regulations. Dates set were from 1 st July to 11 August 2021.
<i>Have the publication requirements been met in accordance with the Regulations?¹¹</i>	Yes	The Council has complied with the requirements of the Accounts and Audit Regulations 2015 for smaller authorities with income and expenditure exceeding £25,000 but not exceeding £6.5 million for the year ending 31 March 2021 and published the following on a public website: Internal Audit Report of the AGAR Section 1 – Annual Governance Statement of the AGAR Section 2 – Annual Accounting Statements of the AGAR Section 3 – External Audit Report and Certificate. Notice of the period for the exercise of public rights Notice of the conclusion of audit
Additional comments:		

Section 12 – internal audit		
The internal auditor will revisit weaknesses and recommendations previously identified to see if these have been addressed. They will also check if any changes introduced require further verification to ensure effectiveness of the corrective action taken.		
Evidence	<i>Internal auditor commentary</i>	
<i>Has the Council considered the previous internal audit report?</i>	Yes	In accordance with Proper Practices, Council considered the internal audit report for the year ending 31 st March 2021 at its meeting of 14 th June 2021

¹¹ Accounts and Audit Regulations 2015

		and agree an audit plan to take appropriate action of the weaknesses identified.
<i>Has appropriate action been taken regarding the recommendations raised?</i>	Yes	The following recommendations from the audit ending 31 st March 2021 have all been actioned: <ol style="list-style-type: none"> 1. Review of Internal Control Statement to detail settlement of council's accounts via online banking 2. Adoption of a General Reserve Policy 3. Review and formal signing off of bank reconciliation by an appointed Councillor 4. Consideration of Internal Audit by full Council 5. Publication of a Website Accessibility Statement on the Council's website.
<i>Has the Council confirmed the appointment of an internal auditor?</i>	Yes	SALC were appointed as the Council's internal auditors for the year ending 31 st March 2022 at the meeting of 14 th February 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>	Yes	At the meeting of full Council of 11 th October 2021, Council considered the report from the External Auditor for the year ending 31 st March 2021. The minutes record that there were no matters which come to the attention of the external auditor which have cause for concern that relevant legislation and regulatory requirements had not been met.
<i>Has appropriate action been taken regarding the comments raised?</i>	Not applicable	There were no matters raised by the External Auditor.

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.*

Additional comments:

Section 14 – additional information		
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 <i>(Note to auditor- emergency Regulations because of the COVID-19 pandemic)</i> ¹⁴	Yes	Council held its Annual Meeting of the Parish Council at which the Chair and other Officers were elected on 4 th May 2021 via the Zoom Videoconferencing platform. In accordance with the repeal of the Coronavirus Act 2020 legislation all meetings held after 7 th May 2021 were held in person.
<i>Is there evidence that Minutes are administered in accordance with legislation?</i> ¹⁵	Yes	<p>Council is aware that that under LGA 1972 schedule 12, paragraphs 41(1) and 44 the draft minutes of a meeting should be formally approved (with any necessary amendments) at the next meeting. At each meeting, the Chair is given formal approval to sign the minutes. Minutes seen for internal audit demonstrate that the minutes have been so signed.</p> <p><i>Comment: whilst the minutes show valid reasons for apologies given (where applicable), there is no formal record to show that Council has approved the apologies submitted.</i></p> <p>Recommendation: s85 of the 1972 Act states that “..if a member of a local authority fails throughout a period of six consecutive months from the date of his last attendance to attend any meeting of the authority, he shall, unless the failure was due to some reason approved by the authority before the expiry of that period, cease to be a member of the authority.” Council is advised to ensure that all absences are not merely recorded but approved by the Council thereby ensuring that the</p>

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

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

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

		absence is not treated as unapproved. An accidental or unforeseen absence at a subsequent meeting could then lead to an unnecessary disqualification.
<i>Is there a list of members' interests held?</i>	Yes	Evidence was seen of a direct link from the Parish Council's website to the District Authority's website for the Register of Interests for all current Parish Councillors.
<i>Does the Council have any Trustee responsibilities and if so, are these clearly identified in a Trust Document?</i>	None	
<i>Has the Transparency Code been correctly applied, and information published in accordance with current legislation?</i>	Partly met	Councils with income over £25,000 but under £200,00 will be expected (but are not legally required to do so) to follow the Local Government Transparency Code 2015 (turnover exceeding £200,000). Council is working towards ensuring compliance with the requirements under the Transparency Code 2015.
<i>Has the Council registered with the Information Commissioner's Office (ICO)?¹⁶</i>	Yes	The council is correctly registered with the IO as a Data Controller in accordance with legislation. Reference: ZA147353 Expiry 17 December 2022.
<i>Is the Council compliant with the General Data Protection Regulation requirements?</i>	Yes	As identified in the previous year's audit, Council has taken steps to ensure compliancy and has shown good practice by ensuring that an impact assessment audit will be carried out on the occasion of the adoption of a new policy which potential GDPR implications. A range of documents were able to view on the website detailing the framework that the public can expect for the handling of requests from individuals who have the right to know what data is held on them, why the data is being processed and whether it will be given to any third party. <i>Comment: During the year a number of documents were reviewed and added to the Council's GDPR suite of policies: Audit Impact Assessment; Data Protection Policy; Cyber Security Checklist and Security Incident Policy; Cyber Security - councillors guide.</i>
<i>Has the Council published a website accessibility statement on their website in line with Regulations?¹⁷</i>	Yes	The website accessibility statement seen on the Council operated website details the technical information of the website along with the methods used for testing the website; the steps being taken to improve accessibility and

¹⁶ Data Protection Act 2018¹⁷ Website Accessibility Regulations 2018

		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: should this not prove to be the case, Council should 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>		Council has in place a system whereby an auto back-up of Council's day to day records to a cloud-based system takes place on a daily basis.
<i>Do terms of reference exist for all committees and is there evidence these are regularly reviewed?</i>	Yes	
<p>Additional comments: Transparency Code 2015 - To ensure full compliance with the requirements of the Local Government Transparency Code 2015 (turnover exceeding £200,000), the following information should be published in accordance with the required timescales: 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; annually: Details of all land and building assets; Grants to Voluntary, Community and Social Enterprise Organisations.</p>		

Signed: Victoria S Waples

Date of Internal Audit Visit: 11.04.22 & 12.04.22

Date of Internal Audit Report: 12.04.22

On behalf of Suffolk Association of Local Councils

¹⁸ Practitioners Guide