Internal Audit Report for Great Blakenham Parish Council

for the period ending 31 March 2024

Clerk	Karen Grimwood
RFO (if different)	
Chairperson	Steve Plume
Precept	£ 50,000.00
Income	£ 71,683.15
Expenditure	£ 84,736.55
General reserves	£115,989.96
Earmarked reserves	£ 86,567.49
Audit type	Annual
Auditor name	**Tina Newby**

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 The internal auditor will look at the methods and processes used to manage the council's accounts and in particular that it provides clear data for reporting and monitoring purposes. This includes checking information is accurate, kept up to date, referenced and verified.		
Evidence		*Internal auditor commentary*
Is the ledger maintained and up to date?	*Yes*	The council uses an Rialtas software to produce reports on a Receipts and Payments basis and ensures that the financial transactions of the parish council are as accurate as reasonably practicable. All transactions are well referenced and provide an effective tool for the basis of the council's internal controls.
Is the ledger on the correct basis in relation to the gross income/expenditure?	*Yes*	Receipts and Payments.
Is the cash book up to date and regularly verified?	*Yes*	Council follows Proper Practices in ensuring that its accounting procedure gives a more accurate presentation of an authority's true financial position by focusing on the balance of economic benefits that it has under its control, rather than just its bank balance and the Responsible Financial Officer (RFO) has used the full suite of accounting and reporting tools associated with the package to produce clear financial management information to the Council on both a monthly and annual basis.
Is the arithmetic correct?	*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		*Internal auditor commentary*
Have Standing Orders been adopted, up to date and reviewed annually?	*No*	The Standing Orders, as seen on the Parish Council's website, show a version of the Model Standing Orders. ***Recommendation 1: The Council reviews and adopts the Standing Orders annually.***
Are Financial Regulations up to date and reviewed annually?	*Yes*	Financial Regulations (FR), as seen on the Council's website show a review date of July 2023 and are based on the NALC Model Financial Regulations 2019 with provisions included as outlined under LTN 87 - Procurement – March 2022.
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. The Council's own Internal Control Statement which state the Clerk is the RFO
Additional comments: *Comment: Both Financial Regulations and Standing Orders; procurement threshold is set to £25,000*		

[1] Section 151 Local Government Act 1972 (d)

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.		
Evidence		*Internal auditor commentary*
Is there supporting paperwork for payments with appropriate authorisation?	*Yes*	A selection of random payments were cross checked against payment authorisation slips, cash book, bank statement and invoices and all were found to be recorded/ authorised in accordance with Proper Practices. A further spot check of items paid via the system from the Council's Accounts was also cross checked against cashbook, bank statements and invoices. All were found to be in order. A spot check of payments made under contractual terms were further analysed and all were found to be in accordance with agreed schedules and sums approved. *Comment: The Council approved a Multi Card for the Council.*
Where applicable, are internet banking transactions properly recorded and approved?	*Yes*	Internet banking is operated in accordance with the Council's own Financial Regulations and is used for the settlement of the Council's expenditure. The Internal Control Statement details the procedure to be followed for such payments. *Comment: There is clear evidence of good practice - payments are checked by two councillors against invoices and online authorisation is then completed demonstrating the council is working in line with its own Financial Regulations. A schedule of both due and retrospective regular payments is submitted to the Council for approval at each meeting. This is also published on the Council's website.*
Is VAT correctly identified, recorded, and claimed within time limits?	*Yes*	VAT is identified in the cash book with the reclaim for the period covering the year 2022-2023 in the sum of £11,128.88 being verified in the cashbook and bank statements. The year-end balance stands at £4,066.09 which is still to be claimed.

Has the Council adopted the General Power of Competence (GPOC) and is there evidence this is being applied correctly?[2]	*n/a*	The General Power of Competence has not been adopted by the Council.
Are payments under s.137[3] separately recorded, minuted and is there evidence of direct benefit to electorate?	*Yes*	Payments for the year under review total £11,442.51 and are in accordance with statutory limits
Where applicable, are payments of interest and principal sums in respect of loans paid in accordance with agreements?	*n/a*	Council has no such loan
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
Is there evidence of risk assessment documentation?	*Partly met*	A financial risk assessment, Cemetery & allotment risk assessments were submitted and covers in general terms the matters which could prevent a smaller authority from functioning.
Is there evidence that risks are being identified and managed?	*Yes*	The Financial, Cemetery & Allotment Risk Assessments documentation show consideration of financial and property risks to the Council and the actions and decisions Council needs to put in place during the year. It is noted the Council is not responsible for play equipment.

[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 £9.93 per elector) on purposes for the direct benefit of its area, or part of its area, or all or some of its inhabitants.*

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?*	*Yes*	Council has insurance in place under a specialist policy for local councils with Ansvar which shows core cover for the following: Employers' liability: £10,000,000; Public/Products Liability: £10,000,000 and Fidelity Guarantee of £100,000. The Policy runs from 1/10/23-30/9/24. **Recommendation 2: The Council funds in General Reserves and Earmarked reserves over £100,000.** **The Council is not operating within the recommended guidelines which state that the level of Fidelity Guarantee should be at least the sum of year end balances plus 1st instalment of precept received. Council is advised to review the level of guarantee and take appropriate action to mitigate the risk identified.**
Evidence that internal controls are documented and regularly reviewed[4]	*No*	There an Internal Control Statement for March 2023 on the website. No evidence of March 2024 being reviewed. There is no evidence that this has been discussed in the full council meetings. **Recommendation 3: 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 minute that such a review has taken place.**
Evidence that a review of the effectiveness of internal audit was conducted during the year, including consideration of the independence and competence of the internal auditor prior to their appointment[5]	*No*	There is no minute reference to evidence that the effectiveness of internal audit was reviewed during the year. The internal auditor notes a review of effectiveness of internal audit is included within the Internal Control Statement referenced above. **Recommendation 4: Regulation 6 of the Accounts and Regulations 2015 requires the smaller authority to conduct each financial year a review**

4 Accounts and Audit Regulations
5 Practitioners Guide

		of the effectiveness of the system of internal control. Council is advised to answer in the negative to Assertion 2 of the Annual Governance Statement as it failed to carry out a review of the effectiveness of internal control.
Additional comments:		

Section 5 – Budgetary controls The internal auditor will seek verification that budgets are properly prepared, agreed and monitored. In particular they will look for evidence of good practice in that the key stages of the budgetary process have been followed		
Evidence		Internal auditor commentary
Verify that budget has been properly prepared and agreed	*No*	The internal auditor was unable to verify that a budget had been approved. It was noted in the Council minutes 9th February that a Precept had been agreed. There was no evidence of budget/precept figures **Recommendation 5: Council follows good practice in that recommended key stages of the budgetary process are as follows:** **- decide the form and level of detail on the budget** **- review the current year budget and spending** **- assess levels of income** **- bring together spending and income plans** **- provide for contingencies and consider the needs of reserves** **- approve the budget** **- confirm the precept** **- review progress against the budget regularly throughout the Year.** At the meeting of July 2023 Council agreed that a payment of £1000 would be set for the Chairman's Allowance. Comment: Section 15(5) of the LGA 1972 provides that Parish (and Town) Councils may for its Mayor (or Chair) 'for the purpose of enabling him to meet the expenses of his office set such allowance as the Council think reasonable'.
Verify that the precept amount has been agreed in full Council and clearly minuted	*No*	There was no precept figure set for 2023/2024, was not confirmed at the February meeting, where the precept was discussed. The Precept Demand confirms the amount as being £49,488.
Regular reporting of expenditure and variances from budget	*Yes*	The minutes evidence that Council carried out its monthly review covering the budget for the current year with a review of income and expenditure

		against budget along with forecasts for the remainder of the year. This is evidence in the Minutes.
Reserves held – general and earmarked[6]	*Yes*	The Council, as at year-end, had Earmarked Reserves totalling £86,567.49 with the balance being General Reserves of £115,989.96.
Additional comments:		

[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 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
Is income properly recorded and promptly banked?	*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 ensured that the accounting records contain all day-to-day entries of all sums of money received.
Is income reported to full council?	*Yes*	In accordance with the Council's Standing Orders.
Does the precept recorded agree to the Council Tax Authority's notification?	*Yes*	Council received precept in the sum of £49,488 from Babergh and Mid Suffolk District Council for the period under review as reported to full Council within its Financial Reports at its meetings.
If appropriate, are CIL reporting schedules in accordance with the Regulations?[7]	*Yes*	During the year under review, Council received CIL receipts totalling £2,709.20. The RFO has created an Earmarked Reserve for retained CIL balances.
Is CIL income reported to the council?	*Yes*	CIL receipts received are reported to full Council within the financial reports submitted to full Council in every meeting, the RFO provided the Council with a report detailing the CIL payments received by the Council to date along with timescales by which the monies should be expended.
Does unspent CIL income form part of earmarked reserves?	*No*	There was no Draft CIL annual report for 2023/2024 The Annual CIL Statement is still to be presented to full Council for approval.

[7] Community Infrastructure Levy Regulations 2010

Has an annual report been produced?	*No*	
Has it been published on the authority's website?	*No*	
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
Is petty cash in operation?	*n/a*	Council does not operate a petty cash system.
If appropriate, is there an adequate control system in place?	*n/a*	
Additional comments:		

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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. The Internal Auditor will also review how payroll is managed including evidence of approval of payslips.

Evidence		Internal auditor commentary
Do all employees have contracts of employment?	*Yes*	Council had 1 employee on its payroll at the period end of March 2024. Employment contracts were not reviewed during the internal audit but the Clerk to the Council has confirmed that all staff have a Contract of Employment in place.
Has the Council approved salary paid?	*Yes*	All salary payments are presented to the Council for approval and payments made in accordance with Council's own Financial Regulations. *Comment: Council has noted the requirement to ensure that it formally approves amendments to any employee's pay, emoluments, or terms and conditions of employment.*
Minimum wage paid?	*n/a*	No employee is paid the national minimum wage.
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?	*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. The Council agreed to pay the Clerk pension under NEST.
Do salary payments include deductions for PAYE/NIC? Is PAYE/NIC paid promptly to HMRC?	*Yes*	The payroll function for the year under review is operated in accordance with HM Revenue and Customs guidelines and outsourced to Suffolk Association of Local Councils. 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.

Is there evidence that the Council is aware of its pension responsibilities? Are pension payments in operation?[8]	*Yes*	Council is aware of its pension responsibilities and payments are made There is no evidence of a pension being made.
Have pension re-declaration duties been carried out	*N/a*	This has not been completed. The Council has agreed to pay the Clerk NEST pension.
Are there any other payments (e.g.: expenses) and are these reasonable and approved by the Council?	*Yes*	There is a satisfactory expense system in place and all staff expenses claimed are approved in accordance with Council's Financial Regulations. It is also noted that the fixed monthly sum contributed by the Council to the Clerk for the use of their personal mobile phone on Council business is now paid through the payroll system in accordance with guidance as issued by HM Revenue and Customs.
Additional comments: *In February the salary £976.30 did not go through the bank or the cashbook. Therefore, the P60 Total Pay for 2023/2024 shows a balance of £11,633.05, but the Draft AGAR Accounting Statement shows a figure of £10890*		

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
Does the Council maintain a register of material assets it owns and manage this in accordance with proper practices?[9]	*Yes*	Declared value for the Asset register is £92,2587.37

[8] The Pension Regulator – website click here

Is the value of the assets included? (Note value for insurance purposes may differ)	*Yes*	Council is mindful of the guidance within the Governance and Accountability for Smaller Authorities in England March 2022 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.
Are records of deeds, articles, land registry title number available?	*n/a*	Records of deeds, articles, land registry title number were not reviewed during the internal audit which was carried out via remote means.
Are copies of licences or leases available for assets sited at third party property?	*n/a*	
Is the asset register up to date and reviewed annually?		Whilst the asset register is still to be signed off by the council, it should be noted that the values submitted on the Draft Annual Governance and Accountability Return for Internal Audit show an asset value of £92,2587.37.
Cross checking of insurance cover		Council has insurance under all risks cover for its assets as specified under generic headings on the insurance schedule.
Additional comments: *Councils should be mindful of the guidance in Governance and Accountability for Smaller Authorities for England (March 2019) regarding valuation of assets and 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.*		

[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
Is bank reconciliation regularly completed and reconciled with the cash book and cover every account?	*Yes*	Bank reconciliations are completed on a regular basis and reconcile with the cash sheets.
Do bank balances agree with bank statements?	*Yes*	Bank balances agree with period end statements and, as at year end (31st March 2024) the balance across the council's accounts stood at £202,557.45 as recorded in the Draft Statement of Accounts and on the Year-end Bank Reconciliation.
Is there regular reporting of bank balances at Council meetings?	*Partly met*	Balances across the Council's accounts are not reported at each meeting of full Council. They are not recorded in the minutes of Full Council. However, there is clear evidence that the Bank Balances, Reconciliations are approved by two councillors every month.

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Section 11 – year end procedures		
Evidence		*Internal auditor commentary*
Are appropriate accounting procedures used?	*Yes*	Accounts are produced on a receipts and payments basis and all found to be in order.
Financial trail from records to presented accounts	*Yes*	The end of year accounts and supporting documentation were well presented for the internal auditor review.
Has the appropriate end of year AGAR[10] documents been completed?	*Yes*	The Council is a smaller authority with gross income and expenditure exceeding £25,000, it has completed Sections 1 and 2 of Part 3 of the AGAR
Did the Council meet the exemption criteria and correctly declared itself exempt?	*n/a*	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.
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*	There was no evidence that this was discussion. *Comments: The AGAR Audit for 2022/2023, were not approved individually in the minutes of 8th June 2023*
Have the publication requirements been met in accordance with the Regulations?[11]	*No*	In accordance with the Accounts and Audit Regulations 2015, as a smaller authority with either income or expenditure exceeding £25,000 but not exceeding £6.5 million, it is confirmed that the Council did comply with the requirements of the Accounts and Audit Regulations 2015 for the year ending 31st March 2023 as it published the following on its website: Annual Internal Audit of the AGAR Section 1 - Annual Governance Statement

[10] Annual Governance & Accountability Return (AGAR)
[11] Accounts and Audit Regulations 2015

		Section 2 - Accounting Statements Notice of the period for the exercise of public rights and other information required by Regulation 15 (2), Accounts and Audit Regulations 2015 Not later than 30 September 2023: Notice of conclusion of audit Section 3 – External Auditor Report and Certificate Sections 1 and 2 of the AGAR including any amendments as a result of the limited assurance review. *Comment: Council might wish to note that there is a requirement to ensure that Sections 1, 2 and 3 are published and remain available for public access for a period of not less than 5 years from the date of publication.*
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		*Internal auditor commentary*
Has the Council considered the previous internal audit report?	*No*	The Internal Auditors Report for the year ending March 2023 has not been presented to and reviewed by the Council.
Has appropriate action been taken regarding the recommendations raised?	*No*	The following recommendations as raised in the internal audit report for the period ending 31st March 2023, having been considered by the Council were approved for implementation and are in the process of being implemented: **Recommend 1:** Council carry out an annual review of Financial Regulations as per Council's own Standing Orders item J ix and Financial Risk Assessment. **Recommend 2**: Council should note the restrictions set for single transactions (card payment) is £50 unless there is prior authorisation by the

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		Chair of the Council in writing /email before any order is placed. Council's own Financial Regulations 6.19 refers, and procedures should be implemented to ensure that this system is followed. **Recommend 3:** Council follow its own Financial Regulations 6.15 and consider expanding its financial risk assessment to detail the terms of reference for such payments to be made. The 'two member signatures' control needs to remain in place until such time as the authority has put in place safe and efficient arrangements. **Recommend 4:** The documentation submitted for internal audit was dated March 2022. Council should ensure that the risks associated with the functioning of a smaller authority are reviewed annually and appropriate measures are in place to protect public money. **Recommend 5:** Council is not operating within the recommended guidelines which state that the level of Fidelity Guarantee should be at least the sum of year end balances plus 1st instalment of precept received. Council is advised to review the level of guarantee and take appropriate action to mitigate the risk identified. Whilst Council approved **Recommend 6:** 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 minute that such a review has taken place **Recommend 7:** Regulation 6 of the Accounts and Regulations 2015 requires the smaller authority to conduct each financial year a review of the effectiveness of the system of internal control. Council is advised to answer in the negative to Assertion 2 of the Annual Governance Statement as it failed to carry out a review of the effectiveness of internal control. **Recommend 8:** Council follows good practice in that recommended key stages of the budgetary process are as follows: - decide the form and level of detail on the budget - review the current year budget and spending - assess levels of income - bring together spending and income plans - provide for contingencies and consider the needs of reserves - approve the budget

		- confirm the precept - review progress against the budget regularly throughout the year **Recommend 9:** As per Council's own Standing Orders at the end of each quarter a report includes a comparison with the budget for the financial year and highlights any actual or potential overspends. **Recommend 10:** Council should note guidance as issued under the Practitioners Guide 2020 which states that an authority needs to have regards to the need to put in place a General Reserves Policy and reviewed the level and purpose of Earmarked Reserves. **Recommend 11:** Council re-visits the CIL report for year ending 31 March 2023 to correctly include CIL monies received in April 2022 of £2,059.24 and to therefore show a total of £113,554.87 CIL funds received. **Recommend 12:** Council is advised to revisit the draft Accounting Statements and ensure Box 4 includes gross salaries and wages, employers NI contributions, employers pension contributions, gratuities and severance payments. Should adjustments be necessary, a corresponding adjustment will be required in Box 6. **Recommend 13:** Council review its asset register at least annually as in accordance with Council's own Financial Regulations. **Recommend 14** Section 1 - Annual Governance Statement Council is advised to revisit Assertions 2, 4, 6 and 7 to answer in the negative. Section 2 – Accounting Statements Council is advised to revisit and amend as necessary: Box 2 £50,537 this should only include the precept received of £48,478 Box 3 to reflect the above amendment Box 4 see recommendation 12 Box 7 & 8 This shows a figure of £215,577 this figure should reflect the bank reconciliation at year end which has not been presented to the internal auditor however the bank account at year end was £215,610 (rounded) with unpresented payment/s of £34 would give a figure of £215,577 **Recommend 15:** Under the Accounts and Audit Regulations 2015 authorities must publish the Notice of the period for the exercise of publish rights on the Authorities website before 1 July 2022. **Recommend 16:** Council should be mindful of non-statutory guidance for

		the appointment of an internal audit as covered under 4.8 – 4.13 of the Governance & Accountability for Smaller Authorities in England and ensure that full Council approves such appointments once the scope of internal audit has been agreed. **Recommend 17:** Following the completion of the internal audit, Council should be aware that it receives a report from the internal auditor and a minute reference is made, it should consider the matters included in that report and decide what action it needs to take to prevent recurrence of the issues raised and a minute reference is made. Internal and external audit reports should inform the council's response to Assertion 2 & 6 of the Annual Governance Statement. As this internal audit report has identified areas for development, Council should ensure that it produces an action plan with proposed remedial actions and the deadlines for completion of those actions. **Recommend 18:** Council should evidence via a minute reference that the Council has received the report from the External Auditor and has produced an action plan to address the issues raised within the audit letter and certificate. **Recommend 19:** Council puts in place the following: Procedures for dealing with Subject Access requests Procedures for dealing with data breaches Data retention policy including disposal
Has the Council confirmed the appointment of an internal auditor?	*Yes*	SALC were appointed as the Council's internal auditors for the year ending 31st March 2024 at the meeting of 14th March 2024.

Additional comments:
Recommendation Following the completion of the internal audit, Council should be aware that it receives a report from the internal auditor and a minute reference is made, it should consider the matters included in that report and decide what action it needs to take to prevent recurrence of the issues raised and a minute reference is made. Internal and external audit reports should inform the council's response to Assertion 2 & 6 of the Annual Governance Statement. As this internal audit report has identified areas for development, Council should ensure that it produces an action plan with proposed remedial actions and the deadlines for completion of those actions.

Section 13 – external audit for the period under review The internal auditor will revisit the external audit so that previous weaknesses and recommendations can be considered.		
Evidence		*Internal auditor commentary*
Has the Council considered the previous external audit report?[12]	*No*	The Internal Auditor's Report for year ending 31 March 2023 has not been presented to and reviewed by the Council
Has appropriate action been taken regarding the comments raised?	*No*	The following matters were raised by the external auditor. *The AGAR was not accurately completed before submission for review. Please ensure that amendments are corrected in the prior year comparatives when completing next year's AGAR. The fixed register was reviewed during the year and assets were added, however the prior year Box 9 should have been restated to include assets owned by the Council as 31 March 2023. Upon review of the fixed asset register additions in the year we noted some items had been entered net of VAT and some gross. The smaller authority should review the fixed asset register against it's fixed asset policy to ensure additions are included on the correct basis. The 2022/23 Box 9 should be restated in the 2023/2024 AGAR for any errors identified.* *The smaller authority has disclosed that it made proper provision during the year 2022/23 for the exercise of public rights, by answering 'Yes' to Section 1 Assertion 4. However, as was reported last year, we are aware that it filed to do this and therefore should have answered 'No' to this Assertion.* *Other matters not affecting our opinion which we draw to the attention of the authority.* *The smaller authority should ensure that it has regard to the level of reserves held when considering future precept requests. Any earmarked reserves should be considered and formally approved by the smaller authority.* *We note that the smaller authority did not comply with Regulation of the Accounts and Audit Regulations*

[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.*

		As it failed to make proper provision during the year 2023/2024 for the exercise of public rights, since the period for the exercise of public rights was less than 30 consecutive working days in length and the period for the exercise of public rights did not include the first 10 working days of July. As a result, the smaller authority must answer 'No' to Assertion 4 of the Annual Governance Statement for 2023/2024 and ensure that it makes proper provision for the exercise of public rights during 2024/25. *The smaller authority has confirmed that it has not complied with the governance Assertions 1, boxes 2,5,6 and 7, but it has provided the appointed auditor with an adequate explanation for non-compliance and details f the actions necessary to address weaknesses identified. This is consistent with the Internal Auditor's response to Internal Control Objectives B, C and D.* *In the completion of their detailed report, the Internal Auditor has drawn attention to a number of weaknesses and raise a number of recommendations. The smaller authority must ensure that action is taken to address these areas of weakness in a timely manner.*

Additional comments:
Recommendation: Council should evidence via a minute reference that the Council has received the report from the External Auditor and has produced an action plan to address the issues raised within the audit letter an certificate.

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		*Internal auditor commentary*
Was the annual meeting held in accordance with legislation? [13]	*Yes*	Council held its Annual Meeting of the Parish Council at which the Chair and other Officers were elected on 11th May 2023 in accordance with legislation in place at that time.
Is there evidence that Minutes are administered in accordance with legislation? [14]	*Yes*	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.
Is there a list of members' interests held?	*Yes*	Evidence was seen on the District Authority's Website the Register of Interests for all current Parish Councillors. **Recommendation: Please add to the Council's website the link to the District Councils Register of Interest page.**
Does the Council have any Trustee responsibilities and if so, are these clearly identified in a Trust Document?	*n/a*	Council does not have any Trustee Responsibilities.
Has the Transparency Code been correctly applied, and information published in accordance with current legislation?	*No*	Councils should be aware that Councils with income over £25,000 but under £200,000 will be expected (but are not legally required to do so) to follow the Local Government Transparency Code 2015 (turnover exceeding £200,000). *Comment*: 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

[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

		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. Publish quarterly: Individual items of expenditure that exceed £500 (currently published on an annual basis); Government Procurement Card transactions; Invitations to tender for contracts over £5,000; Details of contracts that exceed £5,000. Publish annually: Details of all land and building assets; Grants to Voluntary, Community and Social Enterprise Organisations; Organisational Chart.
Has the Council registered with the Information Commissioner's Office (ICO)?[15]	*Yes*	The Council is correctly registered with the Information Commissioner's Office (ICO) as a Data Controller in accordance with the Data Protection Legislation. It is noted that Council last reviewed its Model Publication Scheme detailing the type of information the Council holds and how it will make it available to the public in 2016. *Comment: 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 under its scheme and ensure that it is up to date and ensure that it is available to view on its website. NALC Legal Topic Note 37 provides further clarification.* ZA238658, expiry 23/4/25
Is the Council compliant with the General Data Protection Regulation requirements?	*Partly met*	Council has taken active steps to ensure compliancy with the GDPR requirements and has adopted a number of GDPR Policies during the year that provides clear responsibilities and obligations of the Council in respect of the collecting, using and protecting of personal information in accordance with the provisions of the GDPR.

[15] Data Protection Act 2018

		Comment: The Privacy Policy on the Parish Council's website covers the framework that the public can expect for dealing with 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. **Recommendation: The council may want to consider the following:** • **Impact assessments** • **Privacy notices (published inc. for employees and evidence of review)** • **Procedures for dealing with subject access and freedom of information requests** • **Procedures for dealing with data breaches** • **Data retention policies including disposal**
Has the Council published a website accessibility statement on their website in line with Regulations?[16] *(note to auditor: in addition to the published statement is there evidence of a review, an improvement plan or if they have claimed to comply imposes a disproportionate burden that this is supported by evidence that this has been fully considered by the Council and a decision minuted with a clear understanding this must be regularly reviewed.*	*Yes*	Council has accessibility tools on its website thereby allowing for the increased functionality of the council's website, along with a website accessibility statement on the Council operated website detailing the technical information of the website along with the methods used for testing the website; the steps being taken to improve accessibility and how the site is being improved to ensure that content meets the WCAG 2.1 Standard under Regulation 8 of the Public Sector Bodies (Websites and Mobile Applications) (No. 2) Accessibility Regulations 2018.
Does the council have official email addresses for correspondence?[17]	*Yes*	The Clerk has a generic email address pc@greatblakenham.suffolk.gov.uk The councillors hold generic email addresses: gbpcchair@outlook.com Gbpc1@outlook.com etc
Is there evidence that electronic files are backed up?	*Yes*	The internal auditor presumes all electronic files are backed up.
Do terms of reference exist for all committees and is there evidence these are regularly reviewed?	*n/a*	Council does not operate with a committee system.

[16] Website Accessibility Regulations 2018
[17] Practitioners Guide

Additional comments: ***The auditor continues to note that a new Clerk/RFO took up post in January 2023***

Signed: *Tina Newby*

Date of Internal Audit Visit: Date of Internal Audit Report: 17th June 2024

On behalf of Suffolk Association of Local Councils