

Internal Audit Report for HASKETON for the year ending 31st March 2021

Clerk	David Keeble
RFO (if different)	
Chairperson	Alastair McWhirter
Precept	£8,475.15
Income	£11,733.48
Expenditure	£7,681.52
General reserves	£20,755
Earmarked reserves	£13,500
Audit type	Annual
Auditor name	Vicky 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:

- carry out 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 carried out 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	Computerised cash sheets are used which provide details on the entries and the matters to which the council’s receipts and payments relate.
<i>Is the cash book up to date and regularly verified?</i>	Yes	The cashbook is kept up to date with a running tally of monies in the current account. Whilst basic references support the Council’s underlying accounting statements see additional comments below.
<i>Is the arithmetic correct?</i>	Yes	The accounting records were spot checked – they are well maintained, referenced the manner in which the payment was made and identified expenditure and income at any given point.
Additional comments: <i>The RFO has ensured 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.</i>		

Section 2 – Financial Regulation and Standing Orders		
The internal auditor will check the date the Council carried out 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	In accordance with the provisions of the Coronavirus Act 2020, Council chose not to have an annual meeting at which a number of policies and procedural documents would have been formally reviewed. The minutes of the meetings of 9/7/20 minute10 and 10/9/20 minute 11(iii) & minute 12 demonstrate that the documents approved in 2019-20 remain valid. It is noted by the Clerk/RFO in the documents submitted for internal audit that these documents are currently being reviewed and will be formally approved

		and minuted at the Annual meeting on 5th May 2021 and that where legislation so required, the documents have been updated. The minutes reviewed in 2019-20 and as seen on the website are based on the Model Standing Orders produced by NALC which take into account changes in legislation since those produced in 2013.
Are Financial Regulations up to date and reviewed annually?	Yes	In accordance with the provisions of the Coronavirus Act 2020, Council chose not to have an annual meeting at which a number of policies and procedural documents would have been formally reviewed. The minutes of the meetings of 9/7/20 minute10 and 10/9/20 minute 11(iii) & minute 12 demonstrate that the documents approved in 2019-20 remain valid. It is noted by the Clerk/RFO in the documents submitted for internal audit that these documents are currently being reviewed and will be formally approved and minuted at the Annual meeting on 5th May 2021 and that where legislation so required, the documents have been updated. The minutes reviewed in 2019-20 and as seen on the website are based on the Model Financial Regulations produced by NALC which take into account changes in legislation since those produced in 2013.
Has the Council properly tailored the Financial Regulations?	Yes	Those seen on the website have been fully tailor to the Parish Council
Has the Council appointed a Responsible Financial Officer (RFO)? ¹	Yes	In accordance with legislation, the Council's Standing Orders and Financial Regulations state that the Clerk is appointed as the RFO.
Additional comments:		

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

¹ Section 151 Local Government Act 1972 (d)

<p>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>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.</p> <p><i>Council continues to demonstrate good practice by ensuring that a schedule of payments which arise on a regular basis of a continuing contract is submitted to full Council for approval at each meeting.</i></p>
Where applicable, are internet banking transactions properly recorded and approved?	<i>Not applicable</i>	Internet banking is not operated by the Council.
Is VAT correctly identified, recorded and claimed within time limits?	Yes	VAT is identified in the cash book and the year-end position of £474.04 is verified in the cashbook. The claim for the period ending 31 March 2021 has still to be submitted. The claim submitted for the year ending 31 st March 2020 in the sum of £425.93 was received during the year under review.
Has the Council adopted the General Power of Competence (GPOC) and is there evidence this is being applied correctly? ²	No	Council does not use the General Power of Competence.
Are payments under s.137 ³ separately recorded, minuted and is there evidence of direct benefit to electorate?	<i>Partly Met</i>	Payments made under this power for the year under review totalled: £263. It is however noted that a payment to the Citizens Advice Bureau (Saxmundham) totalling £63 has been included within these payments. All other expenditure incurred under this power were within statutory guidelines and limits.
Where applicable, are payments of interest and principal sums in respect of loans paid in accordance with agreements?	<i>Not applicable</i>	The Council has no Public Works Loan and as such incurred no interest payments for the period under review.

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 £8.12 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:

Recommendation: as identified in the internal audit report for 2019/20, Section 142 of the Local Government Act 1972 allows the Parish Council to assist voluntary organisations who provide individuals with information and advice concerning their rights and obligations. Council might wish to note that it is the responsibility of Councillors to satisfy themselves that they have the appropriate legal power to incur expense and as such might wish to refer to the exact power being used to ensure that all financial decisions or payments being made are in accordance with statute and the Council is not undertaking any decisions or payments that are ultra vires.

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	<p>In accordance with the provisions of the Coronavirus Act 2020, Council chose not to have an annual meeting at which a number of policies and procedural documents would have been formally reviewed. The minutes of the meetings of 9/7/20 minute 10 and 10/9/20 minute 11(iii) & minute 12 demonstrate that the documents approved in 2019-20 remain valid. It is noted by the Clerk/RFO in the documents submitted for internal audit that these documents are currently being reviewed and will be formally approved and minuted at the Annual meeting on 5th May 2021 and that where legislation so required, the documents have been updated.</p> <p>Council's risk assessment documentation for the year ending 31st March 2020 was considered as having been adequate and covered in general terms the matters which could prevent a smaller relevant body from functioning.</p>
<i>Is there evidence that risks are being identified and managed?</i>	Yes	<p>Within its current risk assessment documentation, Council has taken steps to identify, assess and record the risks associated with its actions and decisions it has taken or considered taking during the year that could have financial or reputational consequences and that appropriate action has been taken to ensure measures are in place to mitigate and manage the risk.</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>Council has insurance in place under a Local Councils Policy which shows core cover for the following: Public liability: £10m; Public/Products Liability: £10m and Fidelity Guarantee of £250k. The level of Fidelity Guarantee meets the recommended guidelines which provides that the cover should be at least the sum of the year-end balances plus 50% of the precept/grants.</p> <p>The meeting of 14th January 2021 records that Council noted that the annual insurance renewal would fall between meetings and granted delegated approval to the Clerk to arrange for the renewal of the Council's insurance provided the renewal price was within an acceptable amount. It was resolved to renew with the Council's current insurer's provided the renewal premium did not exceed a given price.</p>
<p><i>Evidence that internal controls are documented and regularly reviewed⁴</i></p>	<p>Yes</p>	<p>Council carried out the review of its internal control procedure at the Council Meeting of 14th April 2020 with recognition that despite no physical meetings taking place, the nominated councillor was still able to undertake regular financial reviews of spending along with review of income received through the review of bank statements and the cash book. At the meeting of 11th March 2021, it was confirmed that the final Internal Control check had been undertaken by a nominated Councillor and that Council formally approved the Internal Control Documentation submitted. Documentation to support control procedures adopted by the Council for payments and budgetary process was seen during the internal audit review, this not only helps protect the RFO but also fulfils an internal control objective.</p>
<p><i>Evidence that a review of the effectiveness of internal audit has been carried out during the year⁵</i></p>	<p>Yes</p>	<p>At the meeting of 14th January 2021, Council reviewed the Internal Audit procedures and agreed that the services being offered by SALC for the year ending 31st March 2021 were appropriate for the Parish Council.</p>
<p>Additional comments: <i>Council has shown good practice in ensuring that the risks associated with online banking have been added to the Council's Financial Risk Assessment.</i></p>		

⁴ Accounts and Audit Regulations

⁵ Governance and Accountability Guide

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
<i>Verify that budget has been properly prepared and agreed</i>	Yes	The budget for the year 2020-2021 in the sum of £12,052 was approved by full Council at a meeting of 9 th January 2020. Documentation detailing the budget set is available to view on the Council's website.
<i>Verify that the precept amount has been agreed in full Council and clearly minuted</i>	Yes	The precept for the year 2020-2021 in the sum of £8,475.15 was approved by full Council at the meeting of 9 th January 2020 with Council agreeing that the precept should remain the same as the previous year recognising that this would result in a change of -1.43% for a Band D property.
<i>Regular reporting of expenditure and variances from budget</i>	Yes	Comparisons between budgeted and actual income and expenditure are included within the documentation presented to Councillors at every scheduled meeting.
<i>Reserves held – general and earmarked⁶</i>	Yes	Council's final accounts show general reserves in the sum of £20,755 with earmarked reserves in the sum of £13,500 <i>Council is reminded of the guidance as issued by Proper Practices which states that it is regarded as acceptable for a council's general (non-earmarked revenue) reserves to be equal to 3 to 12 months of Net Revenue Expenditure and should ensure that the level of general reserves adopted is in accordance with its General Reserve Policy. There is no upper limit for Earmarked Reserves, but they should be held for genuine and intended purposes and their level subject to regular review and justification (at least annually).</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

Additional comments:

Budget: Council has shown good practice by following the recommended key stages as to the budgetary process to be followed for the year:

- *decide the form and level of detail of the budget;*
- *review the current year budget and spending;*
- *determine the cost of spending plans;*
- *assess levels of income;*
- *bring together spending and income plans;*
- *provide for contingencies and consider the need for reserves;*
- *approve the budget;*
- *confirm the precept or rates and special levies; and*
- *review progress against the budget regularly throughout the year.*

Recommendation:

Reserves: Council should note guidance as issued under the Practitioners Guide 2020 which states that an authority needs to have regard to the need to put in place a General Reserve Policy and that such Reserves are held in accordance with that Policy and that the level and purpose of all Earmarked Reserves are annually reviewed.

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.
<i>Is income reported to full council?</i>	Yes	Income received is reported to full Council within the financial reports submitted at each scheduled meeting and summarised as income received to date. 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 £8,475.15 during the year under review in April and September 2019. Evidence was provided showing a full audit trail

		from Precept being discussed and approved to that 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	<p>For the year under review Council received CIL Receipts in the sum of £810.35. In accordance with the 2010 Regulations, the Council having a retained balance of CIL funds has ensured that retained balances are transferred into the Earmarked Reserves specifically allocated.</p> <p>A copy of the annual report for the year ending 31st March 2021, showing retained balance of £810.35 due to be expended on items identified during the year 20-21 but delayed due to COVID-19, was enclosed with the files submitted for Internal Audit.</p> <p>Council has still to approve the Annual CIL Statement and submit the form to East Suffolk District Council. The report for the year 20/21 has yet to be uploaded onto the Council's website.</p>
<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>	No	
Additional comments:		

Section 8 – 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>	Council does not operate a petty cash system.
<i>If appropriate, is there an adequate control system in place?</i>	<i>Not applicable</i>	

⁷ Community Infrastructure Levy Regulations 2010

Section 9 – Payroll controls		
<p>The Internal Auditor will check salaries are 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 1st April 201, evidence will be required to show compliance with the new requirements for the statement of employment, Induction, probation periods and training requirements. The Internal Auditor will also review how payroll is managed including evidence of approval of payslips.</p>		
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 2021. Employment contracts were not reviewed during the internal audit which was carried out via remote means.
<i>Has the Council approved salary paid?</i>	Yes	
<i>Minimum wage paid?</i>	No	All salary payments and amendments to contracts are approved by full Council.
<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 in accordance with HM Revenue and Customs guidelines. 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 was carried out by Suffolk Associated of Local Councils and is operated in accordance with HM Revenue and Customs guidelines. Deductions are paid to HM Revenue and Customs on or before the dates prescribed.
<i>Is there evidence that the Council is aware of its pension responsibilities? Are pension payments in operation?⁸</i>	Yes	Council completed a declaration of compliance with regards to automatic enrolment duties in October 2018. Council might wish to ensure that it evidences, during 2021-2022, that it has completed its redeclaration of Compliance with the Pension Regulator thereby ensuring that it has complied with its duties as an employer.
<i>Are there any other payments (eg: expenses) and are these reasonable and approved by the Council?</i>	Yes	Council should note 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.

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

Additional comments:

Section 9 – Asset control

The Internal Audit will be seeking to establish if there is a list of assets in accordance with proper practices including the date of acquisition, location and value. This extends to checking policies (with evidence of review) and that the Council has applied the documented approach in practice. The Internal Auditor will check not only valuation processes but the existence of reserve budgets for depreciation and adequacy of insurance. A clear audit trail should be available when items are purchased including minutes to evidence approval.

Evidence		Internal auditor commentary
<i>Does the Council maintain a register of material assets it owns and manage this in accordance with proper practices?⁹</i>	Yes	Council's declared asset register has a value of £32,555.97 which is reflected on the Council's Accounting Statements on the AGAR.
<i>Are the value of the assets included? (note value for insurance purposes may differ)</i>	Yes	All assets have been stated as at the acquisition value and where assets have been gifted or where there is no known value have been given a proxy value of £1.
<i>Are records of deeds, articles, land registry title number available?</i>	Not seen	No review of these records was undertaken during the internal audit which was carried out via remote means.
<i>Is the asset register up to date and reviewed annually?</i>	Yes	The register submitted for internal audit and seen on the website is dated January 2021.
<i>Cross checking of insurance cover</i>	Yes	Council has insurance for its fixed assets under a Local Council Insurance Policy with cover generic for items under specific categories: Street Furniture, Gates and Fences, Sports Equipment and Playground Equipment, War Memorials and Office Contents.

Additional comments:

Council is mindful of the guidance within the Governance and Accountability for Smaller Authorities in England March 2020 on the valuation of its assets and has ensure that where the acquisition value of the asset at the time of first recording is used, that method of valuation is consistently applied. Should this be amended Council will need to publish and provide explanations in changes in value to any previously recorded assets.

⁹ Governance and Accountability for Smaller Authorities in England – March 2019

Section 10 – bank reconciliation		
The internal auditor will seek to establish that the Council understands and can evidence good practice and internal control mechanisms in relation to bank reconciliation.		
Evidence		Internal auditor commentary
<i>Is bank reconciliation regularly completed and reconciled with the cash book and cover every account?</i>	Yes	Evidence was seen showing that 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 2021), the balance across the councils accounts stood at £34225.44 as recorded in the Draft Statement of Accounts.
<i>Is there regular reporting of bank balances at Council meetings?</i>	Yes	The minutes show that income, expenditure and bank reconciliations are reviewed and accepted at each meeting. Council has continued with the good practice of ensuring that the bank reconciliations are verified at each meeting and those submitted for internal audit showed evidence as having been checked by an authorised Councillor.
Additional comments: Council is aware that, in accordance with Proper Practices, the bank reconciliation is a key tool for management as it assists with the regular monitoring of cash flows which aids decision-making, particularly when there are competing priorities. The council has understood that the bank statements are evidence provided by an independent party as to the state of the council's cash balances thereby allowing the RFO to ensure that an errors or omission in processing transactions are acted upon in a timely manner.		

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.
<i>Financial trail from records to presented accounts</i>	Yes	There is an underlying financial trail from financial records to the accounts produced.
<i>Has the appropriate end of year AGAR¹⁰ documents been completed?</i>	Yes	As the Council is a smaller authority with gross income and expenditure not exceeding £25,000 it has completed Section 2 of Part 2 of the AGAR which is unsigned at the time of internal audit.
<i>Did the Council meet the exemption criteria and correctly declared itself exempt?</i>	Yes	As the Council was a smaller authority with gross income and expenditure not exceeding £25,000 during the year 2019/20, it was able to certify itself as an exempt authority. At the meeting of 18 th June, having agreed that the Council was exempt from a Limited Assurance Review, the Certificate of Exemption was approved by the Council.
<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 was able to find the arrangements for the exercise of public rights for the period under review and can confirm that the dates set, at the meeting of 18 th June 2020, for the year ending 31 March 2020 were from 6 th July until 14 th August 2020 (with the notice being dated 29 th June 2020).
<i>Have the publication requirements been met in accordance with the Regulations?¹¹</i>	Partly Met	The council has not fully complied with the requirements of the Regulations for smaller authorities with income and expenditure not exceeding £25,000 as only the following were published on the public website operated by the Council: <ul style="list-style-type: none"> • Certificate of Exemption, page 3 • Annual Internal Audit Report 2020/21, page 4 • Section 1 – Annual Governance Statement 2020/21, page 5 • Section 2 – Accounting Statements 2020/21, page 6 • Bank reconciliation • Notice of the period for the exercise of public rights and other information required by Regulation 15 (2), Accounts and Audit Regulations 2015.

¹⁰ Annual Governance & Accountability Return (AGAR)

¹¹ Accounts and Audit Regulations 2015

		<i>Council should note that under the Regulations, the following should also have been published on its website: Analysis of variances</i>
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 previous internal audit report been considered by the Council?</i>	Yes	The Annual Internal Audit for the year ending 31 st March 2020 was adopted by full Council at its meeting of 18 th June 2020 and the recommendations raised therein deferred for consideration at a later date.
<i>Has appropriate action been taken regarding the recommendations raised?</i>	No	The following recommendation was raised within the Internal Audit as carried out on the previous year: 1. Registration with the ICO as a Data Controller A number of outstanding minor recommendations for 2019-2020 are in the process of being considered and those outstanding will be resolved at the Annual Parish Council meeting of 5 th May 2021.
<i>Has the Council confirmed the appointment of an internal auditor?</i>	Yes	SALC was appointed as the Council's Internal Auditor at a meeting of the Council on 14 th January 2021 for the period under review.
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 taken into account.		

Evidence		Internal auditor commentary
Has the previous external audit report been considered by the Council? ¹²	Not applicable	As Council was a smaller authority with gross income and expenditure under £25,000 it was able to certify itself as exempt from a limited assurance review.
Has appropriate action been taken regarding the comments raised?	Not applicable	See comment above.
Additional comments:		

Section 14 – additional information		
The internal auditor will look for some 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 (emergency Regulations as a result of the COVID-19 pandemic) ¹⁴	Yes	For the period under review, as a result of the COVID-19 pandemic the Council chose not to hold an Annual Meeting of the Parish Council. The minutes show that a number of items that are usually reviewed at the Annual Meeting were held over from 2019-2020 and will be reviewed at the Annual Meeting scheduled for 5 th May 2021.
Is there evidence that Minutes are administered in accordance with legislation? ¹⁵	Yes	In recognition of this being unprecedented times and following the Government's guidelines for staying at home and working remotely, the Government included within s.78 in the Coronavirus Act 2020 (made 4 th April 2020) the ability for the Secretary of State the power to make

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.

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

		Regulations to make provisions for the holding of meetings. The 2020 Regulations set out those provisions. Council has followed these regulations and held its meetings online. Council has ensured that the signed minutes have been uploaded onto its website and that each page is signed by the presiding Chair and paginated.
<i>Is there a list of members' interests held?</i>	Yes	Evidence was seen on the District Authority's website of the Register of Interests for all current Parish Councillors. <i>Council is reminded that whilst the monitoring officer of the District Council must arrange for the parish council's register of members' interests to be available for inspection in the district and must be published on the district council's website, where the parish council has its own website, its register of members' interests must also be published on that website. (Openness and transparency on personal interests - A guide for councillors – August 2012).</i>
<i>Does the Council have any Trustee responsibilities and if so are these clearly identified in a Trust Document?</i>	Not applicable	The council does not act as the sole trustee for any trusts.
<i>Has the Transparency Code been correctly applied, and information published in accordance with current legislation?</i>	Partly Met	To ensure compliance with the requirements of the Transparency Code for smaller authorities (turnover not exceeding £25,000), Council should be aware that the following should be published on a public website for the year 2020/2021 not later than 1 July: Internal Audit Report List of Councillors and Responsibilities Items of Expenditure Above £100 including recoverable and non-recoverable VAT End of Year Accounts Annual Governance Statement Asset Register

		<p>and that Agendas of Meetings; Associated Papers and Minutes should be published in accordance with the prescribed timescales as set out in the Transparency code for smaller authorities – December 2014.</p> <p><i>For the year ending 31 March 2020 the above were seen on the Council's website except for the following:</i> <i>Items of Expenditure Above £100 including recoverable and non-recoverable VAT</i></p>
<i>Has the Council registered with the Information Commissioner's Office (ICO)?¹⁶</i>	No	<p>Council has failed to correctly register with the ICO as a data controller and does not have a Model Publication Scheme.</p> <p>It was however confirmed to the Internal Auditor that a draft form of the latter is to be presented to full Council for formal adoption.</p>
<i>Is the Council compliant with the General Data Protection Regulation(GDPR) requirements?</i>	Yes	<p>Although the Council has failed to register as a Data Controller with the ICO, it has undertaken a Data Protection Impact Statement which clearly shows the data being held by the Council and demonstrates that the Council is a controller of that data being held. Council has also undertaken further steps to ensure compliancy with the GDPT Regulations.</p>
<i>Has the Council published a website accessibility statement on their website in line with Regulations?¹⁷</i>	No	<p>The Council has failed to publish on its website a website accessibility and there is no evidence to demonstrate that the Council has checked its website for any accessibility problems or produced a plan to address these problems and fix them 'within reason'.</p> <p><i>Guidance can be found on SALC's website:</i> https://www.salc.org.uk/advice/website-accessibility-regulations/</p>
<i>Is there evidence that electronic files are backed up?</i>	Yes	
<i>Do terms of reference exist for all committees and is there evidence these are regularly reviewed?</i>	Not applicable	

¹⁶ Data Protection Act 2018

¹⁷ Website Accessibility Regulations 2018

Additional comments:

Recommendation: Under the Freedom of Information Act 2000, public authorities must provide access to information held which must be published proactively. The Freedom of Information Act requires every public authority to have a publication scheme and to publish information covered by the scheme. Council should seek to adopt its Model Publications Scheme which details the information it holds and how it will be made available to the public, at the earliest opportunity and ensure that it is published on its website.

Recommendation: As has been raised under a previous internal audit report, Council has carried out a Data Protection Impact Assessment which demonstrates that the Council is holding personal data and provides evidence that it processes personal data, (this includes any information (including opinions and intentions) which relates to an identified or identifiable natural (living) person, e.g. name, email address, photographs; N.I. numbers i.e. anything by which identification can be by the personal data alone or in conjunction with any other personal data) the Council is considered to be a Data Controller and as such must register with the ICO as such.

Recommendation: As The Public Sector Bodies (Website and Mobile Applications) Accessibility Regulations 2018 are now in force, Council should ensure that at the very minimum it publishes on its website, a Website Accessibility Statement, which has identified the areas which are not accessible and shows that Council has a forward plan so that it can make changes to improve this.

Signed: *Vicky Waples*

Date of Internal Audit Visit: 03.05.21 & 07.05.21

Date of Internal Audit Report: 10 May 2021

On behalf of Suffolk Association of Local Councils