

Internal Audit Report for Tostock Parish Council for the year ending 31st March 2021

Clerk	Sharon Burman
RFO (if different)	
Chairperson	Pip Fletcher
Precept	£9,265.00
Income	£31,583.46 – 234.00 = £31,304.46
Expenditure	£20,078.91 – 234.00 = £19,844.91
General reserves	£7,990
Earmarked reserves	£10,200
Restricted reserves	£37,024 (CIL)
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	The council uses an excel spreadsheet which allows the Responsible Financial Officer (RFO) to produce reports on a Receipts and Payments and ensures that the financial transactions of the parish council are recorded and are as accurate as reasonably practicable. 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. The cashbook is reconciled on a monthly basis. The accounting records were spot checked and the following errors were found: 1. an overpayment was allocated as a receipt (receipts) 2. Overall the payment schedule does not cast due to the incorrect entry for Gipping Press in the detailed payments.
<i>Is the cash book up to date and regularly verified?</i>	Yes	
<i>Is the arithmetic correct?</i>	No	
Additional comments: Recommendation: Council should revisit the Accounting Statements as prepared and ensure that the unrepresented cheque is removed from income and offset against expenditure incurred to ensure that whilst the overall result might not affect the final numbers in the financial statements it will cause a distortion in the overall income received. The treatment of refunds and cancelled cheques should be a contra entry within payments and not allocated as a receipt. See section 11 for recommended amendments.		

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	The Council reviewed its Standing Orders at its meeting of 9 th December 2020, 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. <i>Comment: Council should note that the Standing Orders as seen on its website show a review date of Wednesday 13th November 2019</i>
Are Financial Regulations up to date and reviewed annually?	Yes	The Council's Financial Regulations which were also reviewed at the meeting of the Council on 9 th December 2020. However the copy of the Financial Regulations as seen on the website are those produced in 2016 by NALC and as such are not up to date. <i>Comment: if Council has adopted the Model Financial Regulations produced by NALC in 2019 it should ensure that these one the ones uploaded onto the website and that they are regularly reviewed and adhered to.</i>
Has the Council properly tailored the Financial Regulations?	No	Council has still to ensure that its Financial Regulations are fully tailored to the Parish Council and should consider either removing the [square] sections or completing the sections within the brackets and remove them to avoid ambiguity.
Has the Council appointed a Responsible Financial Officer (RFO)? ¹	Yes	In accordance with Section 151 of the Local Government Act 1972(d) (financial administration), the Council has appointed a person to be responsible for the administration of the financial affairs of the relevant authority.
<p>Additional comments: <i>To demonstrate good practice, Council should ensure that it has in place appropriate measures governing how it operates, up-to-date provisions for securing competition and regulating the manner in which tenders are invited.</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

¹ Section 151 Local Government Act 1972 (d)

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		<i>Internal auditor commentary</i>
Is there supporting paperwork for payments with appropriate authorisation?	Yes	<p>The monthly internal control reports detailing payments to be made was interrogated and spot checks were carried out on the items listed against the cashbook and invoices raised. Evidence was seen of the two-signature rule implemented by the Council.</p> <p><i>Comment: during the months where Council did not meet, a number of payments were made. Whilst these might have been made in accordance with Council's Financial Regulation 6.3 and 6.4, Council has failed to ensure that all payments made away from the meeting have been collated into a report detailing the actions taken by the Council and that the payments made following approval via email are brought back for approval by the Council at the next convenient meeting – Financial Regulation 6.6. It is noted that approval for the payments made between January and March 2021 was given at the meeting of 17th May 2021.</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 clearly identified in the ledger book and claimed in accordance with the guidelines for local authorities and similar bodies. The year-end date of assessment position of £2197.54 is verified in the cashbook. The claims for the period 1 April 2019 to 31 March 2020 in the sum of £487.44 was settled 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	<i>Not applicable</i>	The Parish Council does not operate with the General Power of Competence.

² Localism Act

Are payments under s.137 ³ separately recorded, minuted and is there evidence of direct benefit to electorate?	<i>Not applicable</i>	There were no payments made under s137 for the year under review.
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 such loans and incurred no interest payments.
<p><i>Additional comments:</i> Recommendation: Council should be mindful of its own FR 5.6 and which states that “For each financial year the Clerk/ RFO shall draw up a list of due payments which arise on a regular basis as the result of a continuing contract, statutory duty, or obligation (such as but not exclusively) Salaries, PAYE and NI, Superannuation Fund and regular maintenance contracts and the like for which council may authorise payment for the year provided that the requirements of regulation 4.1 (Budgetary Controls) are adhered to, provided also that a list of such payments shall be submitted to the next appropriate meeting of council” and FR 6.6 “Cheques or orders for payment shall not normally be presented for signature other than at a council or committee meeting (including immediately before or after such a meeting). Any signatures obtained away from such meetings shall be reported to the council at the next convenient meeting”.</p>		

<p>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.</p>		
Evidence		Internal auditor commentary
<i>Is there evidence of risk assessment documentation?</i>	<i>No</i>	During the year under review, Council failed to review its financial risk assessment documentation which 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 documentation submitted for internal audit was dated 11 th July 2018 although it is noted that the minutes of 15 th May 2019 reference that the Council’s financial risk assessment was so approved by the Council.

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.

		<p><i>Comment: by reviewing the terms of reference and effectiveness for internal audit the council would have followed guidance and demonstrated that it recognised 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>Additional comments</p> <p>Recommendation: Financial Risk Assessment – Council should be aware that in order to answer in the positive to Assertion 5 – risk management - the parish council needs to be able to confirm that it has identified, assessed and recorded the risks associated with its actions and that it has undertaken a review of its risk register not less than annually. Council should also recognise that this activity is the responsibility of Council who will be expected to demonstrate that having identified and assessed the risks associated with its actions during the year, it has appropriate measures in place to mitigate and manage the risk.</p> <p>Recommendation: Fidelity Guarantee - given the current levels of finances, Council should review the appropriate level of fidelity guarantee insurance being held. Council should be aware that all cover should be risk based and should be kept under constant review to make sure it adequately reflects changes in circumstances.</p>		

<p>Section 5 – Budgetary controls</p> <p>The internal auditor will seek verification that budgets are properly prepared, agreed and monitored. In particular they will look for evidence of good practice in that the key stages of the budgetary process have been followed</p>		
<p>Evidence</p>		<p>Internal auditor commentary</p>
<p><i>Verify that budget has been properly prepared and agreed</i></p>	<p>Yes</p>	<p>The budget for the year 2020–2021 in the sum of £11,495 was set at a full Council Meeting on 8th January 2020.</p>
<p><i>Verify that the precept amount has been agreed in full Council and clearly minuted</i></p>	<p>Yes</p>	<p>The precept was agreed at £9,265.00 and set at the meeting of 8th January 2020.</p>
<p><i>Regular reporting of expenditure and variances from budget</i></p>	<p>Partly met</p>	<p>As evidenced on the Council’s website, reports detailing comparisons between budgeted and actual income and expenditure for the months April – September 2020 were seen.</p> <p><i>Comment: Council should be mindful of the timescales required for the submission of such reports within Council’s own Standing Orders.</i></p>

<i>Reserves held – general and earmarked⁶</i>	Yes	<p>Council's documentation submitted for internal audit show general reserves in the sum of £7,990, earmarked reserves in the sum of £10,200 and restricted reserves (CIL) in the sum of £37,024.</p> <p><i>Council has noted 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></p>
<p>Additional comments: <i>Comment: in accordance with guidance as issued under the Practitioners Guide, the Council should have regards to the need to put in place a General Reserve Policy which will ensure that it reviews the level and purpose of all General as well as Earmarked Reserves</i></p>		

<p>Section 6 – income controls The internal auditor will seek evidence to ensure income is correct managed – recorded, banked and reported and test mechanisms used to achieve this.</p>		
Evidence		Internal auditor commentary
<i>Is income properly recorded and promptly banked?</i>	Yes	Income is recorded in accordance with Council's Financial Regulations. A number of items of income were cross checked against 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. A number of receipts were cross checked against cashbook and the bank statement and found to be in order.
<i>Is income reported to full council?</i>	<i>Partly met</i>	There was limited reported of income received at the December 2020 meeting. There were no further meetings held between December 2020 and March 2021.

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

<i>Does the precept recorded agree to the Council Tax Authority's notification?</i>	Yes	The council received precept of £9,265.00 during the year under review in April and September 2020. A full audit trail confirming the Precept being requested of the Charging Authority to that received in the Council's bank account and reported in its year end accounting statement was seen within the files submitted for internal audit.
<i>If appropriate, are CIL reporting schedules in accordance with the Regulations?</i>	Yes	Council received CIL receipts in the year under review in the sum of £10,286.29 in April and October 2020.
<i>Is CIL income reported to the council?</i>	Yes	Council was advised as to the sums received at the December 2020 meeting.
<i>Does unspent CIL income form part of earmarked reserves?</i>	Yes	In accordance with the 2010 Regulations, the Council having received a proportion of CIL funds has ensured that retained balances are transferred into the Earmarked Reserves specifically allocated.
<i>Has an annual report been produced</i>	Yes	The annual report showing monies brought forward and retained balances was submitted for internal audit.
<i>Has it been published on the authority's website?</i>	Yes	The annual report for the year ending 31 st March 2021 is still to be uploaded onto the Council's website.
<i>If appropriate, are CIL reporting schedules in accordance with the Regulations?⁷</i>	Yes	Council is aware of the requirement to ensure that it complies with its duty to produce an annual CIL report for each financial year and that such a report is uploaded onto its website by 31 st December of that year.
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>	Council does not operate a petty cash system.

⁷ Community Infrastructure Levy Regulations 2010

<i>If appropriate, is there an adequate control system in place?</i>	<i>Not applicable</i>	
Additional comments:		

Section 8 – Payroll controls		
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 1 st April 201, evidence will be required to show compliance with the new requirements for the statement of employment, Induction, probation periods and training requirements. The Internal Auditor will also review how payroll is managed including evidence of approval of payslips.		
Evidence		Internal auditor commentary
<i>Do all employees have contracts of employment?</i>	Yes	Council had 2 employees on its payroll at the period end of 31 st March 2021. Employment contracts were not reviewed during the internal audit which was carried out by remote means. All salary payments are authorised by full council (see comment above with regards to retrospective approval of payments outside of meetings).
<i>Has the Council approved salary paid?</i>	Yes	
<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	Whilst there are suitable payroll arrangements in place which ensures the accuracy and legitimacy of payments of salaries and wages, and associated liabilities (see comment above with regards to retrospective approval of payments outside of meetings).
<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 Association of Local Councils and is operated in accordance with HM Revenue and Customs guidelines. Cross-checks were completed on three payments covering salary and PAYE and were found to be in order. There were no deductions due to HM Revenue and Customs during the year under review.

<i>Is there evidence that the Council is aware of its pension responsibilities? Are pension payments in operation?⁸</i>	Yes	The internal audit report for the year ending 31 st March 2020 did not provide evidence that Council is aware of its pension responsibilities. During the year under review there was no reference as to whether, as advised in the previous audit report that this matter has been considered further.
<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 full Council (<i>see comment above with regards to retrospective approval of payments outside of meetings</i>).
<p>Additional comments: Recommendation: Council should evidence that it notes its responsibilities under the legislation for work-place pensions and confirm if they have completed a Declaration of Compliance under the Pensions Act 2008.</p>		

<p>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.</p>		
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	

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

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

<i>Are the value of the assets included? (note value for insurance purposes may differ)</i>	Yes	The Asset Register as submitted for internal audit was reviewed and reflects those items listed under insurance and within the Parish Council's remit for maintenance and ownership.
<i>Are records of deeds, articles, land registry title number available?</i>	No	The declared value for all assets at year-end of 31 March 2021 is £35,400.47 which shows nil movement in the year under review. Records of deeds, articles, land registry title number were not reviewed during the internal audit which was carried out via remote means.
<i>Is the asset register up to date and reviewed annually?</i>	Yes	Council approved its asset register at its meeting of 9 th December 2020.
<i>Cross checking of insurance cover</i>	Yes	Council has insurance under a Parish Protect Policy for assets to the value of £50,000 which is a sufficient banding for assets recently added to the register.
Additional comments: <i>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 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.</i>		

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	Although bank reconciliations were completed on a regular basis and reconcile with the cash sheets, there was no reporting of bank balances within the financial reports produced as Council only met in August and December 2020. The reconciliations of accounts submitted for April – July and October – December 2020 and March 2021 as submitted for internal audit were signed by a member of the Council.
<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 £55,214.15 as recorded in the Statement of Accounts and on the Year-end Bank Reconciliation.

<i>Is there regular reporting of bank balances at Council meetings?</i>	<i>Partly met</i>	Balances across the Council's accounts were reported at December 2020 meeting.
Additional comments:		

Section 11 – year end procedures		
Evidence		<i>Internal auditor commentary</i>
<i>Are appropriate accounting procedures used?</i>	Yes	Accounts are produced on a receipts and expenditure basis. Amendments will need to be made to the AGAR.
<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	<p>As Council is a smaller authority with gross income and expenditure exceeding £25,000 it has completed Part 3 of the AGAR. The Annual Governance Statements and Accounting Statements are still to be approved.</p> <p>Recommendation: prior to approval the RFO should amend the figures on the Accounting Statements to read as follows:</p> <p>Other Income should now read £22,039</p> <p>Other Expenditure should now read £16,154</p>
<i>Did the Council meet the exemption criteria and correctly declared itself exempt?</i>	<i>Partly met</i>	<p>Although the Parish Council did not have gross income and expenditure exceeding £25,000 and was able to declare itself exempt from a limited assurance review for the year 19/20, there is however no minute to show that Council, having confirmed its eligibility to certify itself, resolved to apply for an exemption to a limited assurance review.</p> <p><i>Comment: Council should note that without a formal meeting of the parish council there is no legal decision taken to claim exemption and as such the external auditor may only be able to log the parish council's intention</i></p>

¹⁰ Annual Governance & Accountability Return (AGAR)

		<i>to claim exemption and not that exemption has been claimed by the parish council.</i>
<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 24 th August to 5 th October 2020.
<i>Have the publication requirements been met in accordance with the Regulations?¹¹</i>	No	<p>For the year ending 31st March 2020, Council has not complied with the publication requirements for smaller authorities with neither income nor expenditure exceeding £25,000. Not all of the following were seen on the Parish Council pages on the website:</p> <p>Certificate of Exemption, page 3 Annual Internal Audit Report 2019/20, page 4 Section 1- Annual Governance Statement 2019/20, page 5 Section 2 - Accounting Statements 2019/20, page 6 Analysis of variances 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.</p> <p><i>Comment: Council should note 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 ensure that it publishes the following on a public website in accordance with the prescribed timescales:</i></p> <p><i>Section 1 – Annual Governance Statement of the AGAR</i> <i>Section 2 – Annual Accounting Statements of the AGAR</i> <i>Section 3 – External Audit Report and Certificate</i> <i>Notice of the period for the exercise of public rights</i> <i>Annual Internal Audit of the AGAR</i></p>
Additional comments:		

¹¹ Accounts and Audit Regulations 2015

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 minutes of 19 th August 2020 confirm that the Internal Audit Report, having been emailed to all Councillors was considered and approved by full Council.
<i>Has appropriate action been taken regarding the recommendations raised?</i>	<i>Partly met</i>	The following recommendations were made in the internal audit review for the year ending 31 st March 2020: <ol style="list-style-type: none"> 1. Adoption of the new Financial Regulations (2019) 2. Review of the effectiveness of internal audit 3. Completion of paperwork for all credits received 4. Amendments of the AGAR BOX 4 to only include costs as specified within Proper Practices. 5. Notification of the receipt of the external audit report and certificate from the external auditors. 6. Review of the Accounting Statements due to a casting error
<i>Has the Council confirmed the appointment of an internal auditor?</i>	No	There is no minute to show the confirmation of the appointment of SALC as the Council's internal auditor.
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	<i>Internal auditor commentary</i>

<i>Has the previous external audit report been considered by the Council?</i> ¹²	Yes	As Council had gross income and expenditure below £25,000 it was able to exempt itself from a limited assurance review.
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		<i>Internal auditor commentary</i>
<i>Was the annual meeting held in accordance with legislation?</i> ¹³ <i>(note to auditor- emergency Regulations as a result of the COVID-19 pandemic)</i> ^{f14}	Yes	Council did not hold an Annual Meeting during the year under review. <i>Comment: 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 4th April 2020) the ability for the Secretary of State to have the power to make Regulations to cover the provisions for the holding of meetings. The 2020 Regulations set out those provisions. This also repealed for the year under review, the requirement to hold an Annual Council Meeting. Council has not applied these regulations and chose not to hold its meetings via remote means.</i>
<i>Were meetings during the year under review held in accordance with legislation?</i> ¹⁴	No	Council should note that under the above legislation, paragraph 8 of Schedule 12 of the 1972 Act was not disallowed. This therefore means that Council has failed to hold the required number of meetings in the year 2020-2021 as it failed to hold not less than three meetings (in addition to the annual meeting).

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

<i>Is there evidence that Minutes are administered in accordance with legislation?</i> ¹⁵	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.
<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>Comment: 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	
<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)?</i> ¹⁶	Yes	The council is correctly registered with the ICO as a Data Controller in accordance with legislation. Reference: ZA128874 Expires 19.07.2021.
<i>Is the Council compliant with the General Data Protection Regulation requirements?</i>	Yes	The Council has taken steps to ensure compliancy and has shown good practice by ensuring that it has adopted a range of policies which 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.

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

¹⁶ Data Protection Act 2018

<i>Has the Council published a website accessibility statement on their website in line with Regulations?¹⁷</i>	Yes	A website accessibility statement was seen 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.
<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	Council does not operate with Committees.
<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: 19.06.21 & 21.06.21

Date of Internal Audit Report: 22 June 2021

On behalf of Suffolk Association of Local Councils

¹⁷ Website Accessibility Regulations 2018