

Workings for Sudbury Town Council for the year ending 31 March 2022

Clerk	Ciaran Griffin
RFO (if different)	Linda Kitching
Mayor	Ellen Murphy
Precept	£691,100
Income	£971,392
Expenditure	£817,002
General reserves	£722,828 (General Purpose)
Earmarked reserves	£232,664
Audit type	Annual
Auditor name	Mrs Victoria Waples

Introduction

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

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

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

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

Methodology

When conducting the audit, the internal auditor may:

- 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>
<p><i>Is the ledger maintained and up to date?</i></p> <p><i>Insurance claim received 8th June 2021 – 900.00 where allocated? Receipts?</i></p>	Yes	<p>The council fully uses the Omega accounting package which produces reports on an Income and Expenditure basis. The RFO follows the year-end procedures as outlined to ensure that the income and expenditure account agrees with the Balance Sheet.</p> <p><i>Comment: 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. The cashbook is kept up to date and regularly verified against bank statements.</i></p>
<p><i>Is the cash book up to date and regularly verified?</i></p>	Yes	<p>The cashbook has remained the focus for day-to-day accounting and the RFO 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 and contains entries from day to day of all sums of money received and expended by the council along with matters to which the income and expenditure relates.</p>
<p><i>Is the arithmetic correct?</i></p>	Yes	<p>Spot checks were made and were found to be correct. Journal entries between cost codes for the period under review were seen and verified.</p>
<p><i>Additional comment:</i> 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. For further transparency and scrutiny, in accordance with best practice, all payments and receipts are referenced with a description as to the expenditure and income being incurred to ensure the integrity of data being input and processed.</p>		

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		Internal auditor commentary
Have Standing Orders been adopted, up to date and reviewed annually?	Yes	The Council reviewed its Standing Orders at its meeting of 8 th June 2021 and 11 th January 2022, 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. A number of amendments were approved relating to the annual review and the functioning of the Town Council.
Are Financial Regulations up to date and reviewed annually?	Yes	Financial Regulations (FR), were reviewed and adopted by the Town Council on 8 th June 2021 and 11 th January 2022, a copy of which can be found on the Council's website and which are based on the Model Standing Orders produced by NALC in 2019.
Has the Council properly tailored the Financial Regulations?	Yes	The Council's current Financial Regulations have been tailored to the Town Council. <i>Comment: Council has shown good practice by ensuring that it has in place appropriate measures governing how it operates, provisions for securing competition and regulating the manner in which tenders are invited. In accordance with proper practices, Council has ensured that its Financial Regulations are regularly reviewed, fit for purpose and that Council agrees to adhere to them as written.</i>
Has the Council appointed a Responsible Financial Officer (RFO)? ¹	Yes	Following the departure of the RFO in August 2021, the position of RFO was advertised. For a number of months the Council was without an RFO with the work of the RFO being temporarily covered by the Deputy RFO with assistance from the Finance Officer at SALC. The minutes of the Finance Committee of 1 st February 2022 noted the requirement to have in post a s151 Officer and that financial restructuring was being undertaken with the assistance of the Finance Officer. The appointment of a permanent RFO was made in March 2022. <i>Comment: in accordance with Section 151 of the Local Government Act 1972(d) (financial administration), Council has appointed a person to be responsible for the administration of the financial affairs of the relevant authority.</i>

¹ Section 151 Local Government Act 1972 (d)

Review of Town Council Business Plan	Yes	The Council maintains a rolling 4-Year Business Plan (2018-2022) which details the Council's overall vision and objectives, strategic planning/key projects, communication/engagement, a listing of specific actions with measurable outcomes and areas of active involvement. Assessment of the projects identified is regularly reviewed in terms of suitability, feasibility, acceptability and risk. At the meeting of the Policy and Resources Committee of 18 th January 2022, a number of amendments were made to the forward plan, and it was agreed that such reviews be ongoing.
<p>Additional comments: Council is aware of the requirement to ensure that the Standing Orders are fully tailored to the council and that in accordance with proper practices they need to be regularly reviewed, fit for purpose and adhered to. Council might also wish to note that NALC have updated LTN 87 Procurement to bring it into line with the procurement position post-Brexit and also contains the current procurement threshold figures. Whilst the change is only to model standing order 18, they have stated that they will be updating model standing orders later this year.</p>		

<p>Section 3 – Payment controls The internal auditor will specifically check bank reconciliation including credit/debit cards and management approval processes and evidence that internal Financial Regulations (FO) are being followed. The internal auditor will examine how regular payments are managed and specifically seek evidence that these have been brought back to the Council for verification purposes especially where the actual payment made differs from the amount previously agreed. VAT should be clearly identified including evidence that claims have been correctly managed. The internal auditor will check if the Council has a clear understanding on eligibility in relation to the General Power of Competence and that s.137 has been correctly applied and managed.</p>		
Evidence		<i>Internal auditor commentary</i>
Is there supporting paperwork for payments with appropriate authorisation?	Yes	<p>At each full Council meeting, in accordance with Council's Financial Regulations for the approval of payments, a list of all such payments awaiting approval is presented to the meeting with formal approval of such expenditure being shown in the minutes and evidence of such paperwork. Details of those authorizing the release of payment, is retained within the files submitted for internal audit.</p> <p>Spot checks on payments over £2,500 were cross checked against cashbook, payment authorization documentation, minutes and bank</p>

	<p>statements and found to be in order and correctly approved in accordance with Council's own Financial Regulations.</p> <p><i>Comment: Council operates within the parameters of its own Financial Regulation FR4.1 which gives delegated powers to duly appointed committees for approval of expenditure over £2,000 and under £5,000.00; to the Clerk in conjunction with the Chair of the Council or Chair of an appropriate Committee for any items up to £2,000 and to the Clerk for any items up to £500. Such expenditure is to be evidenced by either a minute, an email or by an authorised document duly signed by the Clerk and appropriate Chairman and presented to the meeting with formal approval of such expenditure being minuted and copies attached to the minutes as a formal record.</i></p> <p>Spot checks were carried out on the Fuel Genie Statements for the period under review and statements were interrogated to ensure a clear audit trail from point of purchase to allocation on the statement.</p> <p><i>Comment: with reference to council's own FR 6.19, council has ensured that it adheres to the specific control procedure for the use of any payments by a pre-paid debit card or trade card account transaction which includes a procedure in place for the handling of such transactions including the requirement to submit receipts for all expenditure incurred.</i></p> <p>The Finance Committee at its meeting reviews the annual list of due payments which arise on a regular basis as the result of a continuing contract, statutory duty, or obligation for which council may authorise payment for the year provided that the requirements of regulation 4.1 (Budgetary Controls) are adhered to and further satisfies FR 5.2-5.5 by ensuring that payments made on a monthly basis via Direct Debit and Standing Order are submitted at each Finance Meeting and copies of such payments are attached to the minutes as a formal record.</p> <p><i>Comment: Council has continued to ensure that it is mindful of FR 5.6 which states that provided that the requirements of regulation 4.1 (Budgetary Controls) are adhered to, a list of payments pre-authorised shall be submitted to the next appropriate meeting of council. Such a list of due payments which arise on a regular basis as the result of a</i></p>
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	<p><i>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 are adhered to should be submitted at each Finance Meeting.</i></p> <p>A purchase order system is used detailing items to be requisitioned along with prices. During the year under review, the RFO has ensured that all purchase orders are countersigned by the relevant line manager who is responsible for monitoring incurred expenditure and ensuring that orders submitted to contractors are formally accepted. At its meeting of full Council of 8th June 2021, Council resolved that the RFO should review the current Purchasing Procedures Policy before submitting it to the Policy and Resources Committee for their approval. Whilst it is unclear that the revised Purchasing Procedures Policy was reviewed, it would appear from the records kept that all line managers were working in accordance with the agreed procedures for the requisition of goods.</p> <p><i>Comment: Council has taken steps to ensure that there is a clear system to be followed with the requisition of items for its use thereby maintaining a clear record of exactly what has been ordered and what prices have been clearly communicated. All purchase books are acknowledged to be kept in a secure place under the control of the RFO / Deputy RFO.</i></p> <p>A spot check of items paid via the BACS / Direct Debit system from the Council's Accounts were also cross checked against cashbook, bank statements and invoices. All were found to be in recorded/authorised correctly and in accordance with Council's adopted Financial Regulations. Such payments form part of the Payments Summary which is submitted to either Finance and Personnel Committee or full Council for approval at each relevant meeting and forms part of the Council's approved minutes.</p> <p><i>Comment: Council continues with the good practice of ensuring, that a schedule of due and retrospective payments which arise on a regular basis of a continuing contract, is submitted to Finance Committee for approval at each meeting and signed off by the Chairman of the meeting. Such a report forms part of the Council's minutes.</i></p>
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		In accordance with Council's own FRs 6.7 & 6.9, full Council at its meeting of 8 th February 2022 agreed the use of variable direct debits and BACS and CHAPS (respectively).
Where applicable, were procurement controls identified and followed in the awarding of new contracts	Yes	During the year under review there were no new tenders submitted. The website shows a number of procurement contracts that are currently in operation by the Town Council. <i>Comment: Council might wish to review the list as shown and ensure that it is updated in accordance with the requirements of the Transparency Code 2015 noting that certain information is to be published quarterly - details of any contract, commissioned activity, purchase order, framework agreement and any other legally enforceable agreement with a value that exceeds £5,000.</i>
Where applicable, are internet banking transactions properly recorded and approved?	Yes	Internet banking is operated in accordance with the Council's own Financial Regulations with payment authorisations in accordance with the limits set within Council's Financial Regulations. Evidence is retained showing which authorised members or the Clerk under delegated authority approved the payment. The minutes of the Finance Committee of 1 st February 2022 resolved that the town council will use an online payment system to allow for the purchase of items via the internet. It was confirmed during the internal audit review that Council has expanded its current online system to add on this facility.
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 position of £9,279.22 is verified in the cashbook and was claimed after the year had been closed.
Has the Council adopted the General Power of Competence (GPOC) and is there evidence this is being applied correctly? ²	Yes	The internal audit report for the previous year confirms that at the meeting of 14 th May 2019, full Council, having confirmed that it met the criteria to adopt the General Power of Competence, as set out under the General Power of Competence (Prescribed under Conditions) Order 2012, resolved that it be so adopted. Grants under the GPoC for the year under review totalled £47,439.00 against an annual budget of £52,000.

² Localism Act

		<i>Comment: A full list of the grants approved for the year under review was seen on the Council's website.</i>
Are payments under s.137 ³ separately recorded, minuted and is there evidence of direct benefit to electorate?	<i>Not applicable</i>	The Council is able to use the General Power of Competence to incur expenditure that in its opinion is in the interests of and will bring benefit to its area and any of it or all of some of its inhabitants.
Where applicable, are payments of interest and principal sums in respect of loans paid in accordance with agreements?	Yes	The council has one outstanding Public Works Board Loan at 31 st March 2022 of £313,167.75 (as per the notification from United Kingdom Debt Management Office and as declared on the Annual Governance and Accountability Return). PWLB Loan 494354. Repayments of interest were made during the year in accordance with the schedule seen. with fixed repayment dates of 28 th September 2021 and 28 th March 2022 with the interest rate of 4.67%.
Additional comments: <i>Council has recognised the recommendation from NALC in relation to dual authorization for internet payments and ensured that there are controls on expenditure as an integrated part of its overall financial control system and evidence retained showing which authorised members approved the release of the payment.</i>		

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	Overall, the risk assessment documentation submitted for Internal Audit provides details of the risks associated with the functioning of a smaller authority and the measures that the Council will undertake to mitigate such risks. The Annual Risk Management Policy for the year under review was adopted by full Council at its meeting of 8 th March 2022.

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>Is there evidence that risks are being identified and managed?</i></p>	<p>Yes</p>	<p>Council is aware that its risk assessment needs to focus on the safety of the parish council's assets and in particular its money. Council has ensured that there is the main evidence that it has taken actions to identify and assess those risks and has considered what actions or decisions it needs to take during the year to manage in order to avoid financial or reputational consequences.</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>In accordance with Proper Practices, Council has identified its key risks and taken steps to manage them in a way which it can justify to a level which is tolerable by transferring the risk and buying in services from specialist external bodies and taking out insurance.</p> <p>The Council's Insurance document showing cover under a Local Council Policy with Aviva Insurance Limited was viewed during the internal audit visit. The following were verified: Core Cover Public / Products liability cover £10million; Employer's liability cover £10million; Money £250thousand; Legal Expenses £250thousand; Business Interruption £130thousand(Gross rentals) with increased cover & extensions; Legal Defence £250thousand. Fidelity Guarantee cover is £1million. Motor Insurance with ERS Insurance Brokers for the period 1st April 2021 to 31st March 2022 was seen. The policy covers 2 vehicles with exclusions for drivers under the age of 25. Property Damage cover in in place for those buildings / land as specified in Council's policy schedule and covers those items as listed within Council's Asset Register. Business all risk cover is provided within the boundaries of Sudbury under generic headings: Street furniture; gates and fences; playground equipment and surfaces; war memorials; CCTV equipment; mowers and machinery and regalia.</p> <p>Fidelity Guarantee cover at £1million, is still below the limit identified in accordance with guidance, which provides that the cover should be at least the sum of the year-end balances plus 50% of the precept/grants to be received in the following April.</p> <p><i>Comment: the minutes of 8th June 2021, demonstrate that Council consider the internal auditor's comment for the year ending 31st March 2021 with regard to the Fidelity Guarantee cover. The minutes show that Council</i></p>

		<p><i>resolved to note the comments and that members should consider increasing the level at the time of the next renewal of the insurance policy in March 2022.</i></p> <p>Recommendation: following a review of the insurance documents for the year commencing 1 April 2022, it is confirmed that the Fidelity Guarantee is still set at £1million. Council might wish to monitor its balances and cash flow on a regular basis to ensure that cover is appropriate as balances are managed over the course of the financial year. At the current level, Council is operating below guidance.</p> <p>At renewal, Council is in year two of a long-term agreement which expires on 6th April 2024. In accordance with Council’s FR and Risk Management Strategy 2022, it is delegated to the Clerk and RFO to carry out appropriate assessments of the risks to which the Council is exposed and to take appropriate action to either reduce the likelihood of the risk or ensure that the Council has appropriate insurance cover to reduce the impact of risks.</p> <p>Recommendation: Council is advised to consider its exposure to cyber threats and consider the risks that might be associated with its dependence upon digital technology; online services and information that it relies upon to run its day-to-day affairs. Once analysed, appropriate mitigation measures should be put in place with consideration given to cyber insurance.</p>
<p><i>Evidence that internal controls are documented and regularly reviewed⁴</i></p>	<p>Yes</p>	<p>In accordance with the Accounts and Audit Regulations 2015, Council formally reviewed the effectiveness of its system of internal control within its Internal Control Procedure Report which undertakes a series of control tests to demonstrate that it has mitigation measures in place to address the risks associated with the management of public finances. During the year, in accordance with their terms of reference, a member of the Finance Committee carried out six monthly reviews of the Council’s internal controls as defined within its Risk Management Policy and ensured that there were sufficient safeguards in place to protect and manage public finances in accordance with Proper Practices.</p>

⁴ Accounts and Audit Regulations

		<p>The internal audit report for 2020-2021 recommended the introduction of a policy/procedure whereby the Council’s specific control procedures for payments by bank transfer or other electronic means are detailed, with documented evidence to show that it has examined and acknowledged the risks of the use of such transactions and that mitigation measures are imposed to deal with any errors that might arise. At the meeting of 7th December 2021, following a proposal from the Town Clerk, the Finance Committee resolved to implement a further internal control and approved the use of a dual authorisation system for the settlement of its accounts via online transfers. It was resolved that the internet banking system would be set so that there was the requirement to have two people to authorise all payments prior to monies being released. This system was to be set up with immediate effect with the Council’s current bankers.</p> <p>At the meeting of 12th April 2022, full Council received the internal control review as carried out by the appointed Councillor. However, whilst the full Council meeting of 8th June 2021 agreed that the Internal Control Statement be expanded with a more detailed system of control, upon analysis of the Internal Control Report there is limited reference to online banking payments and limited accountability in the level of control and management.</p> <p>Recommendation: whilst Council has introduced specific control procedures for payments by bank transfer or other electronic means, the control measures within the current Internal Control Review Report are limited and should be expanded to accommodate independent scrutiny of the online banking system operated by Council’s Officers and Signatories. Overall the Internal Control Report should provide details showing that specific tests have been carried out and that there is effective segregation between the setting up of online payments and physical release of payments.</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>In accordance with Proper Practices, full Council, at its meeting of 8th February 2022 at which the renewal of the appointment of the internal auditor was agreed, reviewed the effectiveness of internal audit and found that the</p>

⁵ Governance and Accountability Guide

		<p>Internal Audit Service as proposed by Suffolk Association of Local Council was effective. <i>Comment: by reviewing the terms of reference and effectiveness for internal audit the council has 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>Section 5 – Budgetary controls The internal auditor will seek verification that budgets are properly prepared, agreed and monitored. In particular they will look for evidence of good practice in that the key stages of the budgetary process have been followed</p>		
<p>Evidence</p>		<p>Internal auditor commentary</p>
<p><i>Verify that budget has been properly prepared and agreed</i></p>	<p>Yes</p>	<p>Council at its meeting of 12th January 2021, approved the Revenue Budget for 2020/21 in the sum of £694,564.34. <i>Comment: Council is aware that the preparation of an annual budget is one of the key statutory tasks to be undertaken by an authority and for clarity and transparency has ensured that the level of budget is clearly evidenced in the Council's minutes.</i></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 in the sum of £691,100 was set at the same meeting with the minutes recording that this would equate to an increase of 2.00% (£3.15) on a Band D council tax bill. Council also received the sum of £7,114 as a Local Council Tax Grant from the District Authority.</p>
<p><i>Regular reporting of expenditure and variances from budget</i> <i>Income and expenditure reports inc variances submitted to Finance cttee</i></p>	<p>Yes</p>	<p>Council continues with its existing practice of ensuring that management accounts on a cumulative basis are presented and considered at each Finance Meeting. Detailed budget reports to actual with committed expenditure and funds available breakdown were reviewed during the internal audit which allows the comparison of income and expenditure across specific budget headings and are presented in accordance with Council's Standing Orders and Financial Regulations. These reports are resolved for adoption at the next full Council Meeting and once adopted, form part of the meeting's minutes.</p>

		Virements between budgets are approved in accordance with Council's own Financial Regulations and Council is aware that a virement from reserves into the revenue budget may only be made following a resolution of the Council, or duly delegated committee.
<i>Reserves held – general and earmarked⁶</i>	Yes	<p>Whilst the Annual Governance and Accountability Return is still to be formally approved by full Council, the Town Council has year-end reserves of £955,492 which are broken down as follows: General Purpose Fund: £722,828 and earmarked reserves funded as below: Rolling Capital Fund: £108,696 Training Costs Fund: £485 Services and Acquisitions: £14,508 OAP Christmas Fund: £3,624 Biodiversity Trail: £4,908 Advertising and Promotion: £4,104 Ground Maintenance: £7,035 Sudbury Infrastructure: £74,623 Staff Social Security: £6,044 Mayors Benevolent Fund: £4,703 Covid-19: £1,345 Welcome Back Fund (12,137) Elections: £13,878 External Bodies: £849</p> <p><i>Council is aware 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></p>

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 continues to show good practice by continuing to follow the recommended key stages as to the budgetary process to be followed for the year and ensures that there is clarity on the budget being set and that reporting schedules for the monitoring of the budget are adhered to. Reserves: following the recommendation from the internal audit for the year ending 31st March 2021, it was agreed that a Task Group be set up to review Council's Earmarked Reserves (EMR) and to produce a clear document stating the purpose of each EMR as well as the rationale behind the minimum and maximum level of funds required. Full Council at its meeting of 11th January 2022, reviewed its overall approach to the holding of reserves and agreed a new structure for the earmarked reserves to be applied following year-end. Council's previously agreed policy is to hold 50 – 60% of Net Annual Revenue Expenditure as General Reserves (Finance Committee Meeting of 8th December 2020).

Section 6 – income controls

The internal auditor will seek evidence to ensure income is correct managed – recorded, banked and reported and test mechanisms used to achieve this.

Evidence		Internal auditor commentary
<i>Is income properly recorded and promptly banked?</i>	Yes	Income is recorded in accordance with Council's Financial Regulations. A number of items of income were cross checked against cash book and bank statement and found to be in order and recorded in accordance with Proper Practices. Council's accounting records contain all day-to-day entries of all sums of money received. Grants received were verified against offer letters submitted. Spot checks on further items paid during the year under BACS / Direct Credit into the Council's Accounts were cross checked against cashbook, bank statements and invoices raised by the Council. All were found to be in order with a clear underlying audit trail. Income is recorded in accordance with Financial Regulations and reported within the Income and Expenditure Reports received by the Finance Committee on a monthly basis.
<i>Is income reported to full council?</i>	Yes	Income received is reported within the detailed financial reports summarizing the Council's receipts and payments as submitted to the Finance Committee.

		<p>The outstanding sales ledger invoices for the period ending 31st March 2021 was seen and verified. The RFO has advised that there are no irrecoverable accounts for consideration as bad debts.</p> <p><i>Comment: Council is aware that Proper Guidance states that uncollectible amounts, including bad debts, should only be written off with the approval of members, or under delegated authority by the RFO and that such approval should be shown in the accounting records.</i></p>
<i>Does the precept recorded agree to the Council Tax Authority's notification?</i>	Yes	The council received precept of £691,100 in the year under review in April and September 2021. Evidence was provided showing a full audit trail from Precept being discussed and approved at the meeting of 12 th January 2021, served on the Charging Authority to receipt of same in the Council's Bank Account.
<i>If appropriate, are CIL reporting schedules in accordance with the Regulations?⁷</i>	Yes	For the year under review Council receive CIL Receipts in the sum of £7,778.10.
<i>Is CIL income reported to the council?</i>	Yes	CIL receipts are reported to full Council as part of its overall budget monitoring position. Discussions are ongoing as to the use of CIL receipts.
<i>Does unspent CIL income form part of earmarked reserves?</i>	Yes	<p>A copy of the workings for the annual report for the year ending 31st March 2022 showing retained balance of £24,040.54 was enclosed with the files submitted for Internal Audit. It was unclear from the earmarked reserves as to whether a specific reserve had been set up for retained CIL balances or whether they were added to existing earmarked reserves.</p> <p>Recommendation: to ensure that Council is in conformity with its reporting duties (121B 2e i&ii The Community Infrastructure Levy (Amendment) (England) (No 2) Regulations 2019), Council is advised to allocate retained balances of CIL funds against an Earmarked Reserve specifically allocated and that the relevant timeframes for such expenditure be annotated. Council is reminded that if it does not spend its CIL within 5 years of receipt the Infrastructure team at Babergh District Council may send the Council a repayment notice, and the District may then spend the CIL income on their behalf and in consultation with the Council. Exceptions are likely to be considered if the Council can show they have allocated their CIL income</p>

⁷ Community Infrastructure Levy Regulations 2010

		to a particular project for which they are accumulating funds before spending.
<i>Has an annual report been produced?</i>	Yes	The report is still to be submitted to and signed off by full Council.
<i>Has it been published on the authority's website?</i>	No	Council is still to sign off the Annual Monitoring Report. A copy of the report for the year 20/21 was seen on the Council's website.
Additional comments: <i>CIL Reporting: Council should ensure that it complies with its duty to produce an annual CIL report for each financial year and that such a report should be uploaded onto its website by 31st December of that year. Council is aware that the Local Authority has submitted a request that it receives such reports no later than 30th June following the reported year to enable the Infrastructure team to review and publish all Parish Council reports together with the Districts reports by the statutory deadline of 31st December.</i>		

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>	Yes	Petty cash system in place, form is completed, and receipt required for all purchases. Petty cash tin is kept in a secure location.
<i>If appropriate, is there an adequate control system in place?</i>	Yes	There is a satisfactory expense system in place and Council ensures that all expense claim forms are standardised; accompanied by receipts and that all forms are signed by not only the claimant but also the line manager for that department. The budget for the year under review show the Mayor's Allowance (with reference to LGA 1972 s145) for 2021/2022 was to be set at £3,500. <i>Comment: section 15(5) of the LGA 1972 provides that Parish (and Town) Councils may for its Mayor "for the purpose of enabling him to meet the expenses of his office such allowance as the council think reasonable".</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 17 employees on its payroll at the period end of 31 st March 2022. All staff have employment contracts which include provisions for annual reviews.
<i>Has the Council approved salary paid?</i>	Yes	Salary payments are approved by full council with salary rates being approved by full Council or duly delegated committee.
<i>Are arrangements in place for authorising of the payroll and payments to the council?</i>	Yes	There are suitable payroll arrangements in place which ensures the accuracy and legitimacy of payments of salaries and wages, and associated liabilities and as such the council has complied with its duties under legislation. Salaries are paid in accordance with contracted hours worked and timesheets for office staff and labour including those for overtime were seen. Overtime paid to employees is implemented as per Financial Regulation 7.1. <i>Comment: upon a review of the payroll files, it is noted that there is comprehensive checking and authorising of timesheets and in particular the authorisation of overtime to be paid to employees.</i>
<i>Do salary payments include deductions for PAYE/NIC? Is PAYE/NIC paid promptly to HMRC?</i>	Yes	The council's payroll service is outsourced and run by SGW Payroll Ltd. and has been overseen by the council as an employer. Cross-checks were completed on six payments covering salary and PAYE were found to be in order in terms of deductions made and hours paid. Deductions paid to HM Revenue and Customs during the year under review were made in accordance with timescales as set out in the regulations.
<i>Is there evidence that the Council is aware of its pension responsibilities? Are pension payments in operation?⁸</i>	Yes	9 of Council's employees on its payroll at year-end are members of the Local Government Pension Scheme with 4 being members of the NEST Pension Scheme.

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

<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 staff expenses / payments made are against itemised invoices are approved accordance with Council's Financial Regulations.
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Additional comments:

<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	The Asset Register details assets held by the Council which have been defined as Fixed Assets and the itemised list forms the basis of Box 9 of the Annual Governance and Accountability Guide.
<i>Are the value of the assets included? (note value for insurance purposes may differ)</i>	Yes	<p>The Asset Register was reviewed during the Internal Audit Visit and a spot check of assets against insurance valuations was undertaken and found to be in order. Movement through the registers covering acquisitions totalling £4,250.54 was evidenced in the files submitted for internal audit. The Asset Register at year-end shows assets to the value of £2,916,018.53.</p> <p>All assets have been stated as at cost value (fixed as at 2010 in accordance with the basis as recommended by the Chartered Institute of Public Finance and Accountancy (CIPFA)) and where assets have been gifted or where there is no known value have been given the proxy value of £1.</p>

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

		<p><i>Comment: this current valuation for assets commonly known as community assets is in line with requirements for smaller authorities to record each asset at its original purchase cost or where the original purchase cost is unknown at the time of first recording on the asset register, a current value is recorded, which acts as a proxy value to the original cost and will remain unchanged until disposal.</i></p>
Are records of deeds, articles, land registry title number available?	Not covered	Records of deeds, articles, land registry title number were not reviewed during the internal audit.
Is the asset register up to date and reviewed annually?	Yes	<p>Council's assets register along with movement will be formally considered by Full Council once it meets to discuss the annual accounts.</p> <p>Assets as seen on the register and used for the Accounting Statements are broken down as follows: Land and buildings £2,095,491.00 Intangible Assets £5,745.00 Vehicles and equipment. £189,138.27 Infrastructure £172,569.26 Street improvements £176,817.00 Community assets £106,282.00 Civic Regalia £121,105.00 Council Artefacts £ 48,871.00</p> <p><i>Comment: As previously noted, Council has followed recommended guidance with regards to the treatment of community assets such as Town Hall Museum; land at Croft; Land at Mill Acre; land at Woodhall and Francis Road and land at Cemetery and extension; Council Artefacts on loan to Gainsborough's House which due to their nature or legal status do not have a market value as they cannot be or will not be sold. Such assets have been included at either their historic cost value or given a £1 nominal value. Such assets are given a value and included in the asset register at a value other than zero to ensure the Town Council's ownership and responsibility is recognised and not lost or forgotten.</i></p> <p>The Council minutes of 8th June 2021, resolved that the inventory of land and assets under the remit of the Council should be brought together to specify</p>

		<p>the exact location of items and to bring similar ones together. At the minutes of the Finance Committee of 1st March 2022, the Town Clerk advised the Committee that the register lacked detail and a review should be undertaken to identify and check all assets within the remit of the Town Council. The meeting resolve that this work be undertaken, and the asset register be so updated.</p> <p>Recommendation: Council might want to consider expanding its current module of the Omega Financial Package and use the Asset Inventory to create an inventory to keep records of all the Council's assets which will provide a direct link into the figures required for the completion of the Accounting Statements on the Annual Governance and Accountability Return. The use of such a module will allow the RFO to ensure that the register is kept in accordance with proper practices and that the key information is included within the register (dates of acquisition, upgrade and disposal); costs of acquisition and any expenditure which increases the life of the asset; if proxy cost is used for first valuation, a note of the method used for valuation and details of any professional advice received; useful life estimate; location and responsibility.</p>
<p><i>Cross checking of insurance cover</i></p>	<p>Yes</p>	<p>All risks cover is in place for a number of items within the Council's ownership or responsibility on a banded scale to cover the Council's asset as listed as Infrastructure.</p>
<p>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 which required authorities to apply a reasonable approach to asset valuation which is consistent from year to year. Proper practices states that authorities need to apply a reasonable approach to asset valuation which is consistent from year to year. Where the method asset valuation is changed during the financial year, Council will need to restate the prior year's figure in Line 9 of the Annual Governance and Accountability Guide.</i></p>		

<p>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.</p>	
<p>Evidence</p>	<p>Internal auditor commentary</p>

<p><i>Is bank reconciliation regularly completed and reconciled with the cash book and cover every account?</i></p>	<p>Yes</p>	<p>Bank reconciliations are completed on a regular basis, reconcile with the cash sheets and cover all of the Council's accounts. Council has ensured that by reconciling the council's accounts to the bank statement it has limited the exposure to errors, omissions or discrepancies in either the bank accounts or the cash books.</p>
<p><i>Do bank balances agree with bank statements?</i></p>	<p>Yes</p>	<p>Bank balances agree with period end statements and, as at year end (31st March 2022), the balance across the councils accounts stood at £966,146.29 as recorded on the Year-end Bank Reconciliation. As such the year-end reconciliation provides evidence to support the total cash and short-term investments balance to be shown in Box 8 of the Annual Governance and Accountability Guide.</p> <p>To continue to minimise the Council's exposure to risk, it has sought to diversify its reserves with the objective of prudently investing some of its balances. Council has ensured that it uses only specified investments as defined by DCLG guidance and is aware that such investments should have regard to security of its monies invested along with the ability to draw upon the funds when needed. Council has the following investments: £100,000 in fixed term deposit account with Aldermore Bank @ 1.00% (maturity date 17 October 2022) as approved at the Finance Committee Meeting of 5th October 2021.</p> <p><i>Comment: Council has taken into account the guidance as per Proper Practices on the treatment of investments which states that it is unusual for an authority to hold its reserves other than in the form of easily accessible bank deposits or other short-term investments.</i></p> <p>At the meeting of 13th April 2021, full Council approved its Treasury Management Scheme Strategy for 2021-22 and has ensured that it has assessed the risk of committing funds to longer term investments and that such investments comply with legislative requirements. A copy of the Strategy can be found on the Council's website.</p> <p><i>Comment – Statutory guidance on investments issued by the Secretary of State under section 15(1)(9) of the LGA 2003 (3rd edition) states that all</i></p>

		<i>councils that have investments in excess of £100,000 should have in place an investment strategy.</i>
<i>Is there regular reporting of bank balances at Council meetings?</i>	Yes	<p>Balances across the Council's accounts are received and reviewed on a regular basis by the Finance Committee. The RFO ensures that the 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 and therefore aids decision-making.</p> <p><i>Comment: in accordance with Proper Practices and Council's Financial Regulation 2.2, Council has implemented a system whereby a Councillor carries out a quarterly review of the Council's bank reconciliations by formally signing off the bank reconciliation. This was implemented from the second quarter of the year under review. This is not only good practice but also is a safeguard for the RFO and fulfils one of the authority's internal control objectives.</i></p>
<p>Additional comments: <i>Comment: Council follows guidance on its investments as issued by the Secretary of State under section 15(1)(9) of the LGA 2003 (3rd edition) which states that all councils that have investments in excess of £100,000 should have in place an investment strategy.</i></p>		

Section 11 – year end procedures		
Evidence		<i>Internal auditor commentary</i>
<i>Are appropriate accounting procedures used?</i>	Yes	Accounts are produced on an income and expenditure basis. All were found to be in order. There is an underlying financial trail from financial records to the accounts produced. Council has continued to ensure that its records detail the assets and liabilities of the Council include the asset and investment register and record of loans and other debts.
<i>Financial trail from records to presented accounts</i>	Yes	<p>Debtors and creditors have been properly recorded. Year-end balances agree with cash book and bank reconciliations:</p> <p>Debtors: £26,625.52 Stock: £1,088.98 VAT Account: £9,279.22</p>

		Bank Accounts: £966,146.29 less Creditors: £47,648.01 Represented by: Total Reserves: £955,492.00
<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 will be required to complete Part 3 of the AGAR. Section 2 - Accounting Statements of the AGAR is still to be completed and it is confirmed that the internal audit review is based on the figures that have been allocated from the Rialtas Accounting Package onto the Annual Return along with the supporting statements.</p> <p>Council will need to be aware that under intermediate level review procedures the following additional information is required for the year 2021-2022:</p> <ul style="list-style-type: none"> • Basic level review information • If the authority acts as sole managing trustee of as local trust or trusts, the charity commission filing documents submitted during 2021/22 in respect of the 2020/21 reporting year. • If the 20/21 external auditor report included any “except” for matters, copies of the minutes and any agreed plan showing the corrective action taken to address these matters. <p><i>Comment: Council should note the comment raised by the external auditor on the External Audit Report for 2020/21 and ensure that the Minutes Reference for the approval of Section 2 of the AGAR is entered onto the form prior to submission.</i></p>
<i>Did the Council meet the exemption criteria and correctly declared itself exempt?</i>	Not applicable	As the Parish Council had gross income and expenditure exceeding £25,000 it was not able to declare itself exempt from a limited assurance review.
<i>During the period in question did the small authority demonstrate that it correctly provided for the exercise of public right as required by the Accounts and Audit Regulations 2015?</i>	Yes	The internal auditor was able to find the arrangements for the exercise of public rights for the period under review and can confirm that the dates set for the year ending 31 st March 2021 were from 14 th June until 23 rd July 2021.

¹⁰ Annual Governance & Accountability Return (AGAR)

<p><i>Have the publication requirements been met in accordance with the Regulations?¹¹</i></p>	<p>Yes</p>	<p>The Council has complied with the requirements of the Accounts and Audit Regulations 2015 for smaller authorities with income and expenditure exceeding £25,000 but not exceeding £6.5 million for the year ending 31 March 2021 and published the following on a public website: Annual Internal Audit of the AGAR Section 1 – Annual Governance Statement of the AGAR Section 2 – Annual Accounting Statements of the AGAR Notice of the period for the exercise of public rights Section 3 – External Audit Report and Certificate. <i>Comment: in accordance with best practice, Council has also published the narrative internal audit report to accompany the Annual Internal Audit of the AGAR.</i></p>
<p>Recommendation: Council might wish to consider ensuring that the full audited AGAR is uploaded onto the Council’s website within the section Annual Return on the webpage entitled “Financial Information”. Currently the Annual Return section shows the unaudited annual return for the year 2020/2021.</p>		

<p>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.</p>		
<p>Evidence</p>		<p><i>Internal auditor commentary</i></p>
<p><i>Has the previous internal audit report been considered by the Council?</i></p>	<p>Yes</p>	<p>The Internal Audit Report was considered by full Council at its meeting of 8th June 2021.</p>
<p><i>Has appropriate action been taken regarding the recommendations raised?</i></p>	<p>Yes</p>	<p>As evidenced in the minutes of the above meeting, the internal audit report was received and accepted by full Council with a further resolution to adopt the action plan arising from the internal audit report. The following comments / recommendations were raised in the Annual Internal Audit Report for the year ending 31st March 2021:</p> <ul style="list-style-type: none"> • Payment controls vis-à-vis purchase procedures policy • Review of Fidelity Guarantee cover

¹¹ Accounts and Audit Regulations 2015

		<ul style="list-style-type: none"> • Expansion of internal control statement to cover internet banking • Adoption of a policy to allow for the annual review of earmarked reserves • Amendments to FRs 7.1 to ensure the Line Manager signs each monthly and weekly timesheet. • Review of links on website to ensure compliance with the requirements of the Transparency Code 2015 • Publication of a Website Accessibility Statement
<i>Has the Council confirmed the appointment of an internal auditor?</i>	Yes	The appointment of SALC as the Council's internal auditor for the year 2021-2022 was confirmed at the meeting of full Council of 8 th February 2022.
Additional comments:		

Section 13 – external audit for the period under review		
The internal auditor will revisit the external audit so that previous weaknesses and recommendations can be taken into account.		
Evidence		<i>Internal auditor commentary</i>
<i>Has the previous external audit report been considered by the Council?¹²</i>	Yes	At the Town Council meeting of 12 th October 2021, Council formally accepted and approved the adoption of the Limited Assurance Review as carried out by the External Auditor.
<i>Has appropriate action been taken regarding the comments raised?</i>	Yes	<p>The following matter was brought to the attention of the Council: “In the completion of the Annual Internal Audit Report, and their detailed report, the internal auditor has drawn attention to significant weakness in relation to the authorisation of overtime. The smaller authority must ensure that action is taken to address these areas of weaknesses in a timely manner”.</p> <p>At the meeting of 12th October 2021, the Chair of the Finance Committee confirmed that the observation raised with regards to the authorization of</p>

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.

		overtime has already been corrected and a new procedure was being implemented.
Additional comments: <i>in accordance with Regulation 20 of the Accounts and Audit Regulations 2015, Council has ensured that, following the completion of an audit, full Council and not a committee considers and receives the audit letter from the local auditor and that this shall be as soon as reasonably practicable.</i>		

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 held its Annual Council Meeting on 18 th May 2021 in person at which the Town Mayor (Chair) and Deputy Mayor (Vice-Chair) for the coming year were elected as the first items on the agenda, in accordance with legislation. <i>Comment: On 4th April 2020, the Government included within s.78 in the Coronavirus Act 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. Council has followed these regulations and held its meetings via a Videoconferencing platform in accordance with the conditions laid out for its meeting held before 7th May 2021. In accordance with the repeal of the Coronavirus Act 2020 legislation all full Council and Committee meetings held after 7th May 2021 were held in person.</i>
<i>Is there evidence that Minutes are administered in accordance with legislation?</i> ¹⁵	Yes	Council is aware that minutes become legal once they are approved by the council and signed by the chairman of that meeting as an accurate record. The LGA 1972 schedule 12, paragraphs 41(1) and 44 contains provisions which state that the draft minutes of a meeting should be formally approved

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

		<p>(with any necessary amendments) and signed at the next meeting and that once approved, the draft minutes or recordings of the meeting for which approved minutes exist can be destroyed.</p> <p>Whilst the minutes show apologies given (where applicable), there is no formal record to show that Council has approved the apologies submitted.</p> <p>Recommendation: s85 of the 1972 Act states that “..if a member of a local authority fails throughout a period of six consecutive months from the date of his last attendance to attend any meeting of the authority, he shall, unless the failure was due to some reason approved by the authority before the expiry of that period, cease to be a member of the authority.” Council is advised to ensure that all absences are not merely recorded but approved by the Council thereby ensuring that the absence is not treated as unapproved. An accidental or unforeseen absence at a subsequent meeting could then lead to an unnecessary disqualification. NALC LTN 5 provides further clarity on this matter including the good practice of seeking approval for an apology in writing. NALC also includes ‘Apologies and approval of absences’ in their sample agenda on page 161 of Local Councils Explained and addresses the process in paras 27-29 of LTN 5.</p>
<i>Is there a list of members’ interests held?</i>	Yes	Evidence was seen on the Council’s website of the Register of Interests for all current Town Councillors.
<i>Does the Council have any Trustee responsibilities and if so are these clearly identified in a Trust Document?</i>	Not applicable	The council has no sole trustee responsibilities.
<i>Has the Transparency Code been correctly applied, and information published in accordance with current legislation?</i>	Yes	<p>Council is continuing to work towards ensuring compliancy with the minimum datasets that should be published as per the requirements as set out in the Local Government Transparency Code (2015), with a range of documents relating to the current year being able to view on the Council’s website.</p> <p><i>Comment: for Sudbury Town Council, the transparency code requirements include the publication of quarterly reporting of spending transactions valued over £500; quarterly reporting of invitation to tender for contracts over £5,000; quarterly publication of details of every transaction on a government</i></p>

		<i>procurement card; the annual reporting of organisational charts; annual reporting of details of remuneration and job title of certain senior employees whose salary is at least £50,000; annual reporting of all grants made to voluntary, community and social enterprise organisations and the annual reporting of the location of public land and assets.</i>
<i>Has the Council registered with the Information Commissioner's Office (ICO)?¹⁶</i>	Yes	The council is correctly registered with the ICO as a Data Controller in accordance with legislation. Reference: ZA111753 Expires 15/04/2023. As previously mentioned, at its meeting on 30 th March 2021, the Council received and considered the revised Freedom of Information Act Publication Scheme. The Council reviewed the Scheme as written and confirmed that the proposed changes were in order and should be added to the revised Scheme.
<i>Is the Council compliant with the General Data Protection Regulation requirements?</i>	Yes	The Council is taking steps to ensure compliancy and reviews its policies on an annual basis and ensures that an impact assessment audit is carried out on the occasion of the adoption of a new policy which has potential GDPR implications. A range of documents were able to view on the website detailing the framework that the public can expect for the handling of requests from individuals who have the right to know what data is held on them, why the data is being processed and whether it will be given to any third party.
<i>Has the Council published a website accessibility statement on their website in line with Regulations?¹⁷</i>	Yes	The Council operated website has an accessibility statement 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>Does the council have official email addresses for correspondence?¹⁸</i>	Yes	Council has a .co.uk domain for its council website which also supports a secure and digitally managed email system. <i>Council is aware of the importance of ensuing that it uses a secure e-mail system thereby identifying that it has authoritative status and demonstrating authenticity when building trust and credibility with the public.</i>

¹⁶ Data Protection Act 2018

¹⁷ Website Accessibility Regulations 2018

¹⁸ Practitioners Guide

		<i>Comment: Council might wish to consider adhered to the guidance contain within proper practices which recommends that a GOV.UK domain name be used to support council's official email accounts for officers and councillors (section 5.16 of the Practitioners' Guide to Proper Practices – March 2021).</i>
<i>Is there evidence that electronic files are backed up?</i>	Yes	Council has in place a system whereby regular back-ups of Council's day to day records to a cloud-based system and external hard-drives takes place on a daily basis.
<i>Do terms of reference exist for all committees and is there evidence these are regularly reviewed?</i>	Yes	At the full Council meeting of 18 th May 2021, the appointment of members to Council's committees was formally approved. The minutes of 13 th July 2021 confirm Council's representatives on local organisations.
<i>Additional comments:</i> <i>Transparency Code 2015 - to ensure full compliance with the requirements of the Local Government Transparency Code 2015 (turnover exceeding £200,000), Council's Officers should ensure that the Council's website is updated regularly with information in accordance with the required timescales.</i>		
<p>Summary: acknowledging that the primary role of the internal auditor is to provide independent, objective assurance to Members and management that key risks are being managed effectively, during the year to 31st March 2022, Council overall maintained good governance arrangements. The internal audit review, undertaken on the documentation provided to the Internal Auditor and on the information published on the Council's website, has confirmed that the Council maintains an acceptable framework of financial administration and internal financial control. Recommendations made within the report are to ensure that Council operates at a level that will demonstrate that the Council's risk management, governance and internal control processes are operating effectively and in accordance with Proper Practices.</p> <p>The Internal Auditor offers her appreciation to the Clerk, RFO and Deputy RFO for their assistance provided in ensuring that the files were well presented and in good order for the internal audit visit.</p>		

Signed: *Victoria S Waples*

Date of Internal Audit Visit: 18.05.2022

Date of Internal Audit Report: 20 May 2022

On behalf of Suffolk Association of Local Councils