

Internal Audit Report for Southwold Town Council

for the year ending 31 March 2025

Clerk	Lesley Beevor
RFO (if different)	-
Chairperson	Councillor Simon Flunder
Precept	£ 118,551
Income	£ 535,713
Expenditure	£1,220,664
General reserves	£ 150,819
Earmarked reserves	£1,176,842
Audit type	Annual – non-exempt authority
Auditor name	Victoria Waples

Introduction

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

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

- the effectiveness of operations
- the economic and efficient use of resources
- compliance with applicable policies, procedures, laws, and regulations
- the safeguarding of assets and interests from losses of all kinds, including those arising from fraud, irregularity, and corruption

- the integrity and reliability of information, accounts, and data

Methodology

When conducting the audit, the internal auditor may:

- conduct a selective assessment of compliance with relevant procedures and controls expected to be in operation during the financial year in order to be able to complete the Annual Internal Audit Report 2024/25 of the Annual Governance and Accountability Return (AGAR)
- review the reliability and integrity of financial information and the means used to identify, measure, classify and report such information
- review the means of safeguarding assets and, as appropriate, verify the existence of such assets
- appraise the economy and efficiency with which resources are employed, identify opportunities to improve performance and recommend solutions to problems
- review the established systems to ensure compliance with those policies, procedures, laws, and regulations which could have a significant impact on operations, and determine whether the council complies
- review the operations and activities to ascertain whether results are consistent with objectives and whether they are being conducted as planned

Section 1 – proper bookkeeping The internal auditor will look at the methods and processes used to manage the council's accounts and in particular that it provides clear data for reporting and monitoring purposes. This includes checking information is accurate, kept up to date, referenced and verified.		
Evidence		Internal auditor commentary
<i>Is the ledger maintained and up to date?</i>	Yes	The council continues with it's of the Omega Financial Software accounting package which produces a suite of tools to allow for reporting on an Income and Expenditure basis. The software is cloud based allowing for the software to be accessed via a browser with centrally managed back-ups and upgrades thereby adding an extra layer of encryption and security measures. The financial software used by the Council allows the automation of many of its transactions involving income and expenditure and employee payroll, as well as reports and financial statements.
<i>Is the ledger on the correct basis in relation to the gross income/expenditure?</i>	Yes	Council operates on an Income and Expenditure accounting processes and understands that the accounting statements will include all of the transactions for the year where the council has received economic benefits or given other economic benefits irrespective of the year in which they are paid.
<i>Is the cash book up to date and regularly verified?</i>	Yes	The cashbook is reconciled on a monthly basis, regularly verified against bank statements 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. In accordance with good practice, the accounting records also contain a record of income and expenditure in relation to claims made for contribution, grant or subsidies from a government department or other public body.
<i>Is the arithmetic correct?</i>	Yes	Spot checks were made and were found to be correct. Journal entries between cost codes for the year under review were seen and verified with supporting documentation reviewed. All payments and receipts are clearly referenced with a description as to the expenditure and income being incurred along with supporting documentation thereby ensuring the integrity of the data being input and processed.
Additional comments:		

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Section 2 – Financial Regulation and Standing Orders		
The internal auditor will check the date the Council conducted its annual review of both Standing Orders and Financial Regulations and in particular check if these are based on NALC'S latest model which include legislative changes.		
Evidence		<i>Internal auditor commentary</i>
Have Standing Orders been adopted, up to date and reviewed annually?	Yes	The Standing Orders, as seen on the Parish Council's website show an adopted date of 27 th May 2025 and are based on the latest model published by the National Association of Local Councils (2025) with appropriate amendments. Council shows awareness of the requirement to ensure that its Standing Orders are fully tailored to the council and that in accordance with proper practices they are regularly reviewed, fit for purpose and adhered to. <i>Comment: council has ensured that the updated Standing Orders reflect the amendments made to section 18 to comply with new procurement legislation and ensure consistency with the NALC Model Financial Regulations. Amendments to section 14 to better reflect Code of Conduct requirements have also been applied along with changes to the language in the document to gender-neutral terms to align with NALC's policy and the Civility and Respect Project.</i>
Are Financial Regulations up to date and reviewed annually?	Yes	Council's Financial Regulations were also reviewed and amended at the annual meeting of 27 th May 2025 and reflect changes to the Model Financial Orders as produced by NALC in March of this year relating to changes necessitated by the Procurement Act 2023.
Has the Council properly tailored the Financial Regulations?	Yes	The Council's Financial Regulations have been tailored to the Parish Council.
Has the Council appointed a Responsible Financial Officer (RFO)? ¹	Yes	The Council, in accordance with proper practices and with reference to section 151 of the Local Government Act 1972, has employed a Responsible Financial Officer (RFO) who is responsible for the financial administration of the authority (Minutes from the meeting of 28 th May and 25 th June 2024 refer).
<i>Additional comments: In accordance with the Local Government Act 1972 s14(3) and with reference to council's own standing orders, at the meeting of 28th May 2024, council granted authorisation to the clerk to seal legal and civic documents.</i>		

¹ Section 151 Local Government Act 1972 (d)

Section 3 – Payment controls

The internal auditor will specifically check bank reconciliation including credit/debit cards and management approval processes and evidence that internal Financial Regulations (FO) are being followed. The internal auditor will examine how regular payments are managed and specifically seek evidence that these have been brought back to the Council for verification purposes especially where the actual payment made differs from the amount previously agreed. VAT should be clearly identified including evidence that claims have been correctly managed. The internal auditor will check if the Council has a clear understanding on eligibility in relation to the General Power of Competence and that s.137 has been correctly applied and managed.

Evidence		Internal auditor commentary
Is there supporting paperwork for payments with appropriate authorisation?	Yes	<p>In accordance with its own Financial Regulations covering procurement, expenditure is presented to Council on a monthly basis for review and authorisation for payment is made by resolution. A review of the procedures followed for receipt of invoices, agreement of invoice detail and confirmation of goods or services delivery along with approval for payments was undertaken on a selection of individual payments and it is confirmed that Council is operating within its own Financial Regulations and has resilient measures in place covering the manner in which the council's payments are made. The system currently used by the council continues to demonstrate that there is an effective measurable arrangement for the safeguarding of public money and ensures that there is a robust system of control covering how it orders goods and services and incurs and manages its liabilities with clear lines of segregation in relation to authorisation, custody and record-keeping roles to prevent fraud and errors.</p> <p>A further spot check of items paid via the Direct Debit system from the council's accounts were cross checked against cashbook, bank statements and invoices. All were found to be in order. A spot check of payments made under contractual terms were further analysed and all were found to be in accordance with agreed schedules and sums approved.</p> <p><i>Comment: in accordance with Financial Regulation 6.6, for each financial year the RFO has drawn 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 the Finance Committee</i></p>

		<p><i>may authorise payment for the year provided that the requirements of regulation 4 (Budget and Precept) are adhered to, provided also that a list of such payments shall be submitted to the next appropriate meeting of council for noting.</i></p> <p>For the year under review, there were no significant contracts awarded. Council continues to be mindful of guidance covering the procedures for the management of capital projects which are covered by council's Standing Orders, and which require payments against certified completions under a planned and approved programme of works governed by a properly negotiated contract supervised by a named authority officer. The RFO has ensured that, where relevant, it has complied with its own Standing Orders and Financial Regulations in terms of procurement and where those regulations require an open invitation and a formal tender process, it has followed them.</p> <p><i>Comment: Council is aware that where the legislation applies, as a contracting authority, it must, in general, meet their contractual requirements for goods, works and services by means of an advertised competitive contract award process that is based on objective, relevant and proportionate criteria. Council has also noted that if it invites specific firms to tender, it should ensure that the reasons for such an action is recorded in accordance with guidance and where the opportunity was not advertised, it must still publish the awarding of the contract (over £30,000 thereafter) on the Contracts Finder within a reasonable time limit.</i></p>
Where applicable, are internet banking transactions properly recorded and approved?	Yes	<p>Council continues with its procedure, in accordance with Council's Financial Regulation 6.2, of retaining a two-tier security system for payments which are settled by the BACS system. In the case of BACS payments, the Service Administrator may set up transactions online for approval in advance, once the accounts for payment are approved by the Council, two bank signatories shall authorise the transactions online using their own unique ID. The system ensures that the instructions for each payment are signed by two authorised bank signatories.</p> <p><i>Comment: the system in place not only protects the RFO and fulfils an internal control objective to ensure the safeguarding of public money, but it also allows the council to have in place specific control procedures for payments by bank transfer or other electronic means and a process and</i></p>

		<i>mitigating action to protect the council against payment of invoices which may show fraudulent bank account details.</i>
Is VAT correctly identified, recorded, and claimed within time limits?	Yes	<p>VAT is identified in the cash book and reclaimed on a monthly basis. The VAT Assessment File as produced by the accounting package operated by the RFO was reviewed and verified. The year-end VAT figure of £1,091.11 owing at 31st March 2025 was seen and interrogated and reflects that which is shown on the Trial Balance.</p> <p>Sample tests were undertaken by the Internal Auditor to ensure that the VAT element within payments is being clearly identified and appropriately accounted for within the accounting system. For the period under review, the RFO has ensured that VAT has been appropriately identified in relation and correctly coded according to the council's business and non-business activities within the financial records of the software used thereby confirming that robust arrangements are in place for managing its responsibilities regarding VAT.</p> <p><i>Comment: for the year 2024-2025 VAT has been appropriately identified in relation and correctly coded according to the Council's business and non-business activities within the financial records of the software used by council and the Council has robust arrangements in place for managing its responsibilities regarding VAT.</i></p>
Has the Council adopted the General Power of Competence (GPOC) and is there evidence this is being applied correctly? ²	Yes	<p>Council, having declared that it fulfilled the eligibility criteria to use the general power of competence (at least two-thirds elected members and a qualified Clerk (CiLCA or higher)), resolved at the meeting of 30th May 2023, to use the power until the next relevant Annual Council Meeting (May 2027). At the meeting of 28th May 2024, council reconfirmed its eligibility and resolved to continue to use the power until the next relevant Annual Council Meeting.</p> <p>Council continues to ensure that the Grant Scheme offered by the Council has clear evidence supporting requests and payments made. Payments incurred under this category totalled £15,667 for annual grants and £6,144 for occasional donations as offered. The website contains a running total of grants awarded to non-profit making organisations, charitable groups and voluntary community groups that will benefit residents of Southwold. The</p>

² Localism Act

		<p>donations summary for 2024-2025 is still to be uploaded to the council's website.</p> <p><i>Comment: The Local Government Transparency Code 2015 requires all Parish Councils to publish data if they have a gross annual income or expenditure exceeding £200,000. The Code specifies how frequently data is to be published, be it quarterly, annually or once only, but in many cases encourages more frequent publication. Section 42 provides clarity on the manner in which this information should be produced whilst section 43 details the information that must be published as a minimum: date the grant was awarded; time period for which the grant has been given; local authority department which awarded the grant; beneficiary; beneficiary's registration number (if applicable) summary of the purpose of the grant, and amount.</i></p>
Are payments under s.137 ³ separately recorded, minuted and is there evidence of direct benefit to electorate?	N/A	Council uses the discretionary power to do anything that an individual can do unless specifically prohibited by law.
Where applicable, are payments of interest and principal sums in respect of loans paid in accordance with agreements?	Yes	The council has one Public Works Board Loan (PW506406). The balance outstanding as at 31st March 2025 was £75,000. Repayments for the period ending 31 st March 2025 totalled £31,000 in accordance with the instalment repayment schedule as issued. The loan type is fixed, and the repayment method is via an annuity with repayments due the nearest working day to 19 th September and 19 th March.
Additional comments:		

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 £10.81 per elector) on purposes for the direct benefit of its area, or part of its area, or all or some of its inhabitants.

Section 4 – Risk management		
The internal auditor will expect to find evidence of the management of risks from identification of what those are for each individual Council through to how these will be managed and the controls in place to mitigate these and that these have been approved by the Council.		
Evidence		Internal auditor commentary
<i>Is there evidence of risk assessment documentation?</i>	Yes	<p>At the meeting of 25th June 2024, full council formally reviewed and approved its Risk Management Document and Procedure for the year 2024 – 2025. Council is aware that its risk assessment needs to focus on the safety of the parish council's assets and in particular its money, it needs to demonstrate on an annual basis that it has taken actions to identify and assess those risks and that it has considered what actions or decisions it needs to take during the year to manage in order to avoid financial or reputational consequences. The register showed no material amendments and provided an assessment of the risks and management thereof in relation to Property (rent; liabilities under legislation and risks to and use of play equipment); Finances (security of monies; security of cash; security of petty cash; risk of litigation and project financial exposure and grant funding conditions) and Personnel (injury; loss due to employee error; risk to members; risk of abuse and / or harassment).</p> <p><i>Comment: Council continues to ensure that it acts within the sphere of the controls as set out in the Risk Register and has demonstrated that in accordance with Proper Practices and with reference to the Accounts and Audit Regulations 2015, it has in place safe and efficient arrangements to safeguard public money and that a regular review of the safety of the parish council's assets and in particular its money, is part of the methodical manner in which Council addresses the risks associated with the activities and services it provides.</i></p>
<i>Is there evidence that risks are being identified and managed?</i>	Yes	<p>A review of the Council's financial risk assessment documentation shows that there are in place specific control procedures for payments made by direct bank transfer, which, if reviewed on a regular basis, will provide reassurance that the Council has taken steps to identify, assess and record risks associated with actions and decisions it has taken or considered taking during the year that could have financial or reputational consequences. In</p>

		<p>accordance with its own internal control document, council has implemented a system whereby a member of the Finance and Governance Committee undertakes quarterly reviews, via control tests, of the effectiveness of its system of internal control to ensure that the mitigation measures in place to address the risks associated with the management of public finances are managed and appropriate to the council's requirements. Council's internal control document confirms that all minutes of all committees are circulated to all members of the council and full council monitors progress by receiving relevant reports from committees and the clerk.</p> <p><i>Comment: Council has noted that in accordance with Regulation 6 of the Accounts and Audit Regulations 2015, it should conduct a formal review of its system of internal control and should have in place monitoring documents which would identify the risks involved with and the potential for improvements to its arrangements to protect public money.</i></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>	Yes	<p>At year-end (and as confirmed at the meeting of the Finance and Governance Committee in February 2025), Council has insurance in place under a Commercial Combined Insurance policy with Aviva Insurance which shows core cover for the following: Public liability:£10million; Products Liability:£10million; Employers Liability: £10million; Commercial Crime (Internal) £2million; Business Interruption (on five premises) £100thousand and Management Liability of £250thousand; Management liability (based on turnover) which has a limit of £250,000 for any one claim and Fidelity Guarantee of £2million.</p> <p><i>Comment: Council is aware that best practice states that Fidelity Cover should be sufficient to provide cover that was equal to at least the sum of the year-end balances plus 50% of the precept/grants to be received in the following April/May thereby reducing the council's exposure to the risks associated with the handling of money, securities and property.</i></p> <p>Insurance cover is also in place for fourteen premises as identified within the schedule with cover for one being the operational assets including EV charging units located within the confines of Southwold. Business interruption is identified for all identified premises.</p> <p>During the year, being aware that it is the responsibility of the Council as a whole to satisfy itself that insurances are adequate and that all steps have been taken to mitigate and manage identified risks with appropriate</p>

		<p>insurance, annual reviews of the council's insurance were undertaken prior to renewal. The minutes of full council of 28th January 2025 provide confirmation that prior to renewal council's arrangements for insurance cover in respect of amendments to provide clarity in the mitigation / actions required and the manner in which any identified risks would be addressed along with the actions needed to remove or minimise the identified risk had begun. The minutes of 25th February 2025 confirm that all risks had been identified, and adjustments made. Approval was given to renew the insurance with the current provider. At renewal council was in the last year of a three-year long-term understanding.</p> <p>The Clerk provided the meeting of 25th March 2025 with an update following a recent cyber risk assessment which had resulted in an assessment classified as very good.</p> <p><i>Comment: council is able to demonstrate that it has reviewed the risks facing the council in transacting its business and has taken out appropriate insurance to manage and reduce the risks relating to property, cash and legal liability (amongst other things), and has satisfied itself that there are no materials facts which might influence the acceptance or assessment of the risks covered by the policy.</i></p>
<i>Evidence that internal controls are documented and regularly reviewed⁴</i>	Yes	<p>Confirming that the council is operating within its own internal control, formal evidence (via a minute reference) was given at the meeting of full council on 25th June 2024 that council had formally reviewed the effectiveness of its review as outlined in its Statement of Internal Control for the year ending 31st March 2025. It is confirmed that council's document covers the purpose of the system of internal control; the personnel involved with the internal control regime, internal and external audit remit, review of effectiveness of internal control along with an action plan to address issues raised within the internal control process. Council has also been mindful to ensure that all payments are carried out with reference to its own Financial Regulations 6, and that reference to online banking for the use of the settlement of accounts is included within the Council's overall Risk Assessment Documentation.</p>

⁴ Accounts and Audit Regulations

		<p>A scan of the minutes did not give rise to any unusual financial activity and there were no actions of a potentially unlawful nature being considered.</p> <p><i>Comment: in accordance with Regulation 6 of the Accounts and Audit Regulations 2015, council has understood the requirement to undertake a formal review of its internal controls to enable it to demonstrate that it has taken steps to identify, assess and record the control mechanisms in place to ensure that all reasonable steps are taken to safeguard and protect public finances.</i></p>
<p><i>Evidence that a review of the effectiveness of internal audit was conducted during the year, including consideration of the independence and competence of the internal auditor prior to their appointment⁵</i></p>	Yes	<p>In accordance with the Accounts and Audit Regulations 2015, the council formally reviewed the scope and effectiveness of its internal audit arrangements, as well as the competence and independence of those conducting the internal audit review, within the internal control statement as adopted in June 024 and at the meeting at which the appointment of the internal auditor was approved.</p> <p><i>Comment: the review of the terms of reference and effectiveness of internal audit are demonstration that Council has understood that the role of internal audit is to evaluate and report on the adequacy of the system on internal control.</i></p>
<p>Additional comments:</p>		

⁵ Practitioners Guide

Section 5 – Budgetary controls		
The internal auditor will seek verification that budgets are properly prepared, agreed and monitored. In particular they will look for evidence of good practice in that the key stages of the budgetary process have been followed		
Evidence		Internal auditor commentary
Verify that budget has been properly prepared and agreed	Yes	<p>The revenue budget for the year 2024 - 2025 in the sum of £215,531 was approved at the council meeting of 9th January 2024 with members noting that whilst there was the possibility of balancing the budget with a nil increase to the precept due to interest being earned on present balances, this should not be regarded as a long-term solution.</p> <p>The revenue budget for the year 2025 - 2026 was approved at the Council meeting of 28th January 2025 and was set at £227,450 with the minutes and background papers demonstrating the reasoning for variations to both the budget, known income levels, precept and the use of reserves which could not be sustained long-term.</p> <p><i>Comment: in accordance with proper practices, council continues to evidence, within the minutes, the actual budget being set alongside the reasoning for such a budget thereby ensuring transparency in the budgetary process followed by the council.</i></p>
Verify that the precept amount has been agreed in full Council and clearly minuted	Yes	<p>The precept for the year 2024 – 2025 was discussed and approved at the meeting of 9th January 2024 and set at £118,551.17. The minutes show that, taking into account movement in the tax base, this would represent 0% (zero) change to the Band D Council Tax dwelling over that set for the previous year and would be sufficient to cover the revenue budget.</p> <p>The precept for the year 2025 – 2026 was set at the meeting of 28th January 2025 £176,651.41 with the minutes confirming that, once the variations to local taxes including the second home levy were taken into account, would represent a 0% (zero) increase on a Band D Council Tax.</p>
Regular reporting of expenditure and variances from budget	Yes	<p>The minutes evidence that the Finance & Governance Committee conducted reviews covering the budget for the current year with a review of income and expenditure against budget at relevant periods throughout the year. Monitoring statements produced include breakdown of all receipts and payments balance against the bank.</p>

		<p><i>Comment: Council in accordance with its own standing order 17c produces regular statements showing evidence of comparisons between budgeted and actual income and expenditure to form the basis of approval for virements in accordance with council's own Standing Orders and Terms of Reference.</i></p> <p>Council continues with the practice of ensuring that virements between budgets are considered by the Finance and Governance Committee and recommended for approval to the Town Council as and when they arise, subject to Financial Regulation 5.17 which states that "No expenditure may be authorised that will exceed the amount provided in the revenue budget for that class of expenditure other than by resolution of the council, or duly delegated committee acting within its Terms of Reference except in an emergency."</p> <p>A scan of the minutes did not give rise to any unusual financial activity and there were no actions of a potentially unlawful nature being considered.</p> <p>Council's Financial Regulations as adopted by full council details under Financial Regulation 5.15 the expenditure on revenue items that may be authorised by the clerk on behalf of the council which in the clerk's judgement it is necessary to conduct. Such expenditure includes repair, replacement or other work, whether or not there is any budgetary provision for the expenditure, subject to a limit of £5,000.00. The Clerk shall report such action to the chair of the council as soon as possible and to the council as soon as practicable thereafter.</p> <p><i>Comment: Council follows best practice by ensuring that such an action is evidenced by a minute as authorisation.</i></p>
<i>Reserves held – general and earmarked⁶</i>	Yes	<p>The Council, as at year-end, had Earmarked Reserves totalling £91,176,842 and General Reserves of £150,819</p> <p>Council has, within its own Reserve Policy, (as reviewed and adopted by the Finance & Governance Committee in June 2024) set a limit to be held for its general reserve which will be based upon a risk assessment carried out by</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

	<p>the RFO on an annual basis and used to form the basis for the budget for the forthcoming year. Council is aware that this will be subject to further reviews to include cash flow requirements, inflationary and interest rates, diversification of funds to spread risk and optimize interest returns prior to year-end adjustments to maintain the prescribed level. The adopted policy shows that a level of general reserves to be maintained will be equivalent of one year's non capital related expenditure. In addition the policy also states that the council will build sufficient cash reserves to service property liabilities to the equivalent of 5% of the property book valuation and to build up sufficient reserves for longer term projects.</p> <p><i>Comment: Council is aware of the guidance as issued by Proper Practices (March 2023) which states that it is regarded as acceptable for a council's general (non-earmarked revenue) reserves to be maintained at between three and twelve months of Net Revenue Expenditure and that it should ensure that the level of general reserves adopted is in accordance with its general reserve policy. It is still generally held that councils with income and expenditure in excess of £200,000 should plan towards three months equivalent general reserve and that those councils with self-generated income, should take into account situations that may lead to a loss of revenue as well as increased costs.</i></p> <p>Whilst there is no upper or lower limit to EMRs save only that they must be held for genuine and identifiable purposes and projects, and their level should be subject to regular review and justification (at least annually and at budget setting) Council has ensure that they are separately identified and enumerated and that they are held for genuine and intended purposes and their level is subject to regular review and justification.</p>
<p>Additional comments:</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.		
Evidence		Internal auditor commentary
Is income properly recorded and promptly banked?	Yes	<p>During the year under review, Council received income from a number of identified sources all of which was banked intact with the transactions identified within the accounting system operated by the RFO.</p> <p>In accordance with Financial Regulation 13.2, Council understands that it should review all fees and charges annually, with increases as deemed appropriate, following a report as submitted by the Responsible Financial Officer. For the year under review there were no rent reviews of fee reviews but the Clerk to the Council has confirmed that this exercise has commenced for the coming year. The internal audit report for the year ending 31st March 2024, confirms that during 2023-2024, council carried out the rent reviews of the leases and tenancies associated with the council's property portfolio. Reviews and recommendations into the fees and charges for market rents and other assets not part of the built portfolio were also reviewed within the remit of the relevant committee's terms of reference. Council's minutes highlighted the reviews that have been undertaken and recommendations approved by the council in terms of fees, rents and terms and conditions to be applied.</p> <p><i>Comment: council is aware that fee reviews are essential to ensure that the council's income module remains competitive as well as ensuring profitability is maintained. This will ensure that the council's revenue streams are fully optimized allowing for adjustments where necessary.</i></p> <p>A sample review of the control rents for market income, allotments, venue hire, leases, rents and licenses along with associated documentation was undertaken during the internal audit visit and all expected income was found to be based on the correct price, properly recorded and promptly banked with VAT (where appropriate) accounted for.</p> <p><i>Comment: in accordance with proper practices, Council has ensured that there are appropriate control procedures in place along with documentation</i></p>

		<p><i>to provide a clear audit trail through to invoicing and recovery of all such income.</i></p> <p>Further spot checks during the internal audit visit on further items paid under BACS / Direct Credit into the Council's Accounts were cross checked against cashbook, bank statements and invoices raised by the Council.</p>
<i>Is income reported to full council?</i>	Yes	<p>A review of the financial transaction reports was undertaken to ensure income was coded to the appropriate nominal income code and all were found to be in order with appropriate control procedures and documentation to provide a clear underlying audit trail through to invoicing and recovery of all such income.</p> <p>Overall income is recorded in accordance with Financial Regulations and reported to Full Council within the monthly Income and Expenditure reports. The outstanding sales ledger invoices for the period ending 31st March 2025 was reviewed and verified. The Clerk 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 Responsible Financial Officer and that such approval should be shown in the accounting records.</i></p> <p>During the year under review, council adopted a Bad Debt / Recovery Policy (for debts not covered under a lease or tenancy agreement) and Policy for Tenancy with Rent Arrears. The latter balances the need for effective debt management with a tenant-centred approach that is able to offer support and flexibility where possible.</p>
<i>Does the precept recorded agree to the Council Tax Authority's notification?</i>	Yes	<p>Council received precept in the sum of £118,551 from East Suffolk Council for the period under review in April and September 2024 as reported within the Income and Expenditure Reports for the months of May and September. Evidence was provided showing a full audit trail from Precept being discussed and approved to being served on the Charging Authority to remittance advice showing the Precept to be paid and receipt of same in the Council's Bank Account.</p>

<i>If appropriate, are CIL reporting schedules in accordance with the Regulations?⁷</i>	Yes	For the period under review Council received CIL Receipts in the sum of £2,793.56 (April) and £3,352.21 (October). CIL receipts are reported to full Council as part of its overall Income and Expenditure Reports.
<i>Is CIL income reported to the council?</i>	Yes	CIL receipts received are reported within the financial reports submitted to the Finance & Governance Committee, the minutes of such meeting being reported to full council, with further analysis within the CIL Project Lists detailing progress against committee funds.
<i>Does unspent CIL income form part of earmarked reserves?</i>	Yes	The CIL financial overview report for 2024-2025 shows an anticipated year-end balance of £17,323.19 which is retained in Earmarked Reserves specifically allocated, in accordance with the Regulations.
<i>Has an annual report been produced?</i>	Yes	The Annual CIL Statement for 2024-2025 has still to be presented to full Council for formal approval, signature and onward submission.
<i>Has it been published on the authority's website?</i>	In progress	The statement for the year ending 31 st March 2024 was confirmed as being present on the council's website and reflects the sums incurred, expended and retained by the council. <i>Comment: council is aware that the Regulations provide clarity on the timing of the reports, and by which date they should be brought into the public domain.</i>
Additional comments:		

⁷ Community Infrastructure Levy Regulations 2010

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>N/A</i>	A petty cash is not operated by the council.
<i>If appropriate, is there an adequate control system in place?</i>	<i>N/A</i>	
Additional comments:		

Section 8 – Payroll controls		
The Internal Auditor will check salaries were approved in accordance with PAYE, NI, Pension and that there is a clear understanding that the clerk is not self-employed. 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 4 employees on its payroll at the period end of 31 st March 2025. Employment contracts were not reviewed during the internal audit visit for the year ending 31 st March 2025, but the Clerk has confirmed that all staff have an employment contract.
<i>Has the Council approved salary paid?</i>	Yes	All salary payments are presented to full Council for approval and payment is made in accordance with Council's Financial Regulations. From the paperwork seen, the National Salary Award 2024 applicable from 1 st April 2024 was applied effective January 2025 with backpay payable from 1 st April 2024 as approved by full council at its meeting of 27 th January 2025. Salaries are paid in accordance with contracted hours worked. Payroll records including variations to contracts with approval dates of such revisions are accurately maintained and held securely by the Clerk to the council. <i>Comment: Council has ensured that there are suitable payroll arrangements in place which ensures the accuracy and legitimacy of payments of salaries and wages, and associated liabilities and as such the council has complied with its duties under legislation.</i>
<i>Minimum wage paid?</i>	No	No member of staff is paid the minimum wage.
<i>Are arrangements in place for authorising of the payroll and payments to the council? Does this include a verification process for agreeing rates of pay to be applied?</i>	Yes	There are suitable payroll arrangements in place which ensures the accuracy and legitimacy of payments of salaries and wages, and associated liabilities and as such the council has complied with its duties under legislation.
<i>Do salary payments include deductions for PAYE/NIC? Is PAYE/NIC paid promptly to HMRC?</i>	Yes	The payroll function for the year under review is operated in accordance with HM Revenue and Customs guidelines. Cross-checks were completed on payments covering salary and PAYE were found to be in order. Deductions paid to HM Revenue and Customs during the year under review were made in accordance with timescales as set out in the regulations.

<p><i>Is there evidence that the Council is aware of its pension responsibilities? Are pension payments in operation?⁸</i></p>	<p>Yes</p>	<p>Council is aware of its pension responsibilities and payments are made in accordance with timescales agreed with the Council's Pension Provider for two members of staff who have been enrolled into the council provided pension scheme.</p> <p>It is unclear as to whether all members of the Council's Staff are eligible to join the council administered Pension Schemes (Local Government Pension Scheme) if such a request is submitted.</p> <p>Council should note that any employee may transfer an existing pension with another provider into the council appointed pension provider, usually within a given time frame. Council should ensure that there is clarity on how this will be managed beyond the specified timeframe.</p> <p><i>Comment: Under the LGPS Regulations 2013 effective from 1 April 2014, all employers participating in the LGPS are required to prepare and publish a written statement on how it will exercise the various discretions provided by LGPS 2013, LGPS 2008, LGPS 1997, Compensation and Injury Allowances Regulations. Council is advised to adopt such a policy during the coming year.</i></p>
<p><i>Have pension re-declaration duties been carried out</i></p>	<p>Yes</p>	<p>Council's re-declaration of compliance with regards to re-enrolment was confirmed as having been submitted by the Clerk who in turn had confirmed that all members of staff had been reassessed for pension auto-enrolment, and that the council was currently compliant with all staff members meeting the threshold and eligibility criteria for auto-enrolment having been enrolled in a qualifying pension scheme. (Minutes of Finance and Governance Committee of 17th February 2025 refer).</p>
<p><i>Are there any other payments (e.g.: expenses) and are these reasonable and approved by the Council?</i></p>	<p>Yes</p>	<p>There is a satisfactory expense system in place and all staff expenses claimed are approved in accordance with Council's Financial Regulations.</p> <p>Within the annual budget set for 2024 – 2025 is the sum of £1,000 a sum for the Mayor's Allowance. Expenditure incurred totalled £1,213 for the year under review.</p> <p><i>Comment: Council is aware that section 15(5) of the LGA 1972 provides that Parish (and Town) Councils may for its Mayor "for the purpose of enabling</i></p>

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

		<i>them to meet the expenses of their office such allowance as the council think reasonable”.</i>
<i>Additional comments:</i>		

Section 9 – Asset control		
The Internal Audit will be seeking to establish if there is a list of assets in accordance with proper practices including the date of acquisition, location, and value. This extends to checking policies (with evidence of review) and that the Council has applied the documented approach in practice. The Internal Auditor will check not only valuation processes but the existence of reserve budgets for depreciation and adequacy of insurance. A clear audit trail should be available when items are purchased including minutes to evidence approval.		
Evidence		Internal auditor commentary
<i>Does the Council maintain a register of material assets it owns and manage this in accordance with proper practices?⁹</i>	Yes	The Asset Register covers those items listed under insurance and within the parish council's remit for maintenance and ownership. Council's asset policy defines fixed assets as items of machinery and equipment which have a useful life of more than one year. The Asset Register currently stands at £9,730,605 and shows overall movement to that declared at the year-end of 31 st March 2024 (£330,339.10) taking into account acquisitions and disposals during the year under review. The copy of the Asset Register was reviewed by the Internal Auditor to allow the spot check to be conducted.
<i>Is the value of the assets included? (Note value for insurance purposes may differ)</i>	Yes	The RFO has ensured that the council has a formal asset register which is routinely updated to record new assets at historic cost price, net of VAT along with removal of any assets disposed of / no longer serviceable. Where assets have been gifted or where there is no known value, assets have been given the proxy value of £1. This value has also been applied to community assets, which, in accordance with guidance, are treated in the same manner as gifted assets. <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>
<i>Are records of deeds, articles, land registry title number available?</i>	N/A	Records of deeds, articles, land registry title number were not reviewed during the internal audit review.

⁹ Practitioners Guide

<i>Are copies of licences or leases available for assets sited at third party property?</i>	<i>N/A</i>	Council has declared that it does not have any assets located on third party property.
<i>Is the asset register up to date and reviewed annually?</i>	<i>Yes</i>	<p>The asset register is still to be signed off by the council but the values on the Asset Register seen on the website equal that detailed at Line 9 on the DRAFT Accounting Statements of the AGAR. The council continues to use the preferred value for exiting assets as the original acquisition cost and has ensured that the fixed asset value for any individual item will not usually be altered from year to year (unless a material enhancement has taken place). As such the change in the total value for fixed assets (in box 9 of the Council's accounting statements) indicates the acquisition of new assets of significance.</p> <p><i>Comment: council has previously noted that it may be necessary to review the threshold value for fixed assets (currently £500) annually to ensure the value continues to include the types of items currently listed as fixed assets. Such a review will require the revaluation of both the current and previous years' asset registers to give a consistent basis for comparison.</i></p> <p>There are appropriate measures in place to allow for the tracking of additions and disposals from the previous year to the current year.</p> <p><i>Comment: in accordance with proper practices, council has recognised that it is not expected that the basis for the valuation of its assets will not change more than once or twice in the lifetime of that asset.</i></p>
<i>Cross checking of insurance cover</i>	<i>Yes</i>	The Asset Register was reviewed during the Internal Audit Visit and a spot check of assets against the insurance schedule was undertaken to ensure that all assets are recorded appropriately and under insurance. Council has insurance under all risks cover for its assets as specified under the headings on the insurance schedule including furniture, fixtures and fittings at four premises listed on the insurance schedule.
<i>Additional comments:</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	<p>Bank reconciliations are completed on a regular basis and reconcile with the cash sheets. Overall there is regular reporting of bank balances within the detailed financial reports submitted to both full council and the Finance and Governance Committee.</p> <p>A review of sample of transactions from the cashbooks from the months of April 2024 to March 2025 across the accounts held by the council was undertaken to verify the detail held within the cashbooks to that shown on the bank statement. There were no matters arising from the review which suggested that there were errors in the entries and there was no identification of signs of fraud or duplicate entries (for which explanations or corrections were not forthcoming).</p> <p><i>Comment: The reconciliations conducted allow for the process of comparing internal records against statements from financial institutions and other external sources to ensure money that exits in an account matches money spent.</i></p>
<i>Do bank balances agree with bank statements?</i>	Yes	<p>Bank balances as of 31st March 2025 agree with the year-end bank statements and at year end stood at £1,304,780 across the accounts held in the town council's name. At each meeting, the Finance and Governance Committee receive management reports monitoring the budget, balance sheet, income and expenditure along with movement within the earmarked reserves. The investment accounts are reviewed at the same time with approval given for transfers in accordance with the council's investment strategy.</p> <p>Southwold Town Council currently holds investments within the Public Sector Deposit Fund and Lloyds Band (32 Day Notice) in addition to the Instant and Saver accounts with its current bankers.</p> <p>Council's adopted investment policy (as reviewed in May 2024) defines the council's investment objectives in relation to specified and non-specified</p>

		<p>investments to be placed with banks, building societies, local authorities or other public authorities or other recognised funds specifically targeted at the Public Sector along with reporting strategies and review periods.</p> <p><i>Comment: council is aware that in accordance with proper practices it is required to review its Investment Policy & Strategy annually. The existing policy, as amended and adopted (details above) reflects the statutory guidance on Local Government Investments (3rd Edition) issued under Section 15(1)(a) of the Local Government Act 2003.</i></p> <p>The minutes of the meeting of 21st March 2024 provided clarity on the authority for investing and withdrawing funds as appropriate. CCLA funds are noted at all Finance and Governance committee meetings with assessments ongoing as to whether the CCLA fund is an appropriate investment for the majority of the council's funds. The Finance and Governance Committee meeting in February 2025 provided clarity of the manner in which council's investments were held with the meeting noting that CCLA is still AAA rated, and the risk has been considered and negated as far as possible. The CCLA rating will be considered on a regular basis as part of the overall risk review and / or analysis.</p>
Is there regular reporting of bank balances at Council meetings?	Yes	<p>Overall there is regular reporting of bank balances within the detailed financial reports submitted to the Finance and Governance Committee and full Council. Council continues with the system whereby the monthly reconciled bank accounts are presented to the council appointed Internal Controller ensuring that there is access to not only the reconciliation of the cash book to bank statements but also the underlying background evidence upon which the reconciliation is based.</p> <p><i>Comment: Approval of the bank reconciliation by the authority or an authority nominee is not only good practice but is also a safeguard for the Responsible Financial Officer and fulfils one of the authority's internal control objectives.</i></p>

Section 11 – year end procedures		
Evidence		Internal auditor commentary
Are appropriate accounting procedures used?	Yes	The Internal Auditor confirms that having reviewed the year-end files, there is a full underlying financial trail from financial records to the accounts produced.
Financial trail from records to presented accounts	Yes	<p>The RFO has ensured that the Council's accounting software contains and records details on its assets and liabilities including the asset and investment register and other debts. The accuracy of the year-end bank reconciliation detail is verified along with the correct disclosure of the combined cash and bank balances in the AGAR, section 2, line 8.</p> <p>Year-end balances agree with cash book and bank reconciliations:</p> <p>Debtors: £19,712 Other Debtors: £9,786 Prepayments: £34,570 Bank Accounts: £1,304,780 less Creditors: £12,583 VAT: £1,091 Accruals: £27,512 Represented by: Total Reserves: £1,327,661</p>
Has the appropriate end of year AGAR ¹⁰ documents been completed?	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 were completed and signed by the RFO at the time of Internal Audit.</p> <p>It should be noted that given its level of income, the Council meets the requirement for an intermediate level review. Details of the additional submission requirements for those meeting this level of review can be found within the Detailed Instructions Update for the year ending 31st March 2025.</p>

¹⁰ Annual Governance & Accountability Return (AGAR)

<i>Did the Council meet the exemption criteria and correctly declared itself exempt?</i>	N/A	As the Council was a smaller authority with gross income and expenditure exceeding £25,000 during the year 2023-2024, it was not able to certify itself as an exempt authority.
<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	<p>The internal auditor is able to confirm that the notice of the public rights was seen on the website and can confirm that the dates set were 28th June to 8th August 2024. Within the Annual Internal Audit Report, internal control objective test M requires the internal auditor to establish whether the parish council correctly provided for the exercise and published a copy of the required "Public Notice" by ensuring that it clearly identified the statutory 30 working day period when the Authority's records are available for public inspection. This has been evidenced by the notice on the website which contains the period for the exercise of public right; details of the manner in which the documents can be inspected; the name and address of the external auditor and the provisions as contained under section 25 and section 27 of the Act.</p> <p><i>Comment: Council is aware that evidence of the proper provision for the exercise of the public rights is usually by means of publication of the supplied form on the Council's website as well as a minute reference at the meeting at which the RFO confirms the dates set. Proper practices indicates that effective March 2025, Internal Auditors may check whether authorities have minuted the relevant dates at the same time as approving the AGAR. The Clerk has confirmed that this practise will be actioned from June 2025 onwards.</i></p>
<i>Have the publication requirements been met in accordance with the Regulations?¹¹</i>	Yes	<p>The Internal Auditor is able to confirm that the Council has complied with the requirements of the Accounts and Audit Regulations 2015 for smaller authorities with income and expenditure exceeding £25,000 and published the following for the year 2023/24 on a public website:</p> <p>Section 1 – Annual Governance Statement of the AGAR Section 2 – Accounting Statements of the AGAR Section 3 – The External Auditor Report and Certificate Notice of the period for the exercise of public rights and other information required by Regulation 15 (2), Accounts and Audit Regulations 2015. Notice of Conclusion of Audit</p>

¹¹ Accounts and Audit Regulations 2015

		Section 3 – External Auditor Report and Certificate Sections 1 and 2 of the AGAR as audited.
<i>Additional comments:</i>		

Section 12 – internal audit		
The internal auditor will revisit weaknesses and recommendations previously identified to see if these have been addressed. They will also check if any changes introduced require further verification to ensure effectiveness of the corrective action taken.		
Evidence		Internal auditor commentary
Has the Council considered the previous internal audit report?	Yes	The interim Internal Audit Report for the year ending 31 st March 2025 was considered at a meeting of full Council on 25 th June 2024 with council resolving to formally adopt the report as written.
Has appropriate action been taken regarding the recommendations raised?	Yes	Members received the interim internal audit report and noted that there were no formal recommendations to be considered that required the completion of an action plan to address weaknesses identified. However the Finance and Governance Committee were tasked with reviewing the advisory comments contained within the report and to report back to the council with formal recommendations / adaptations where necessary. <i>Comment: Council has followed guidance which confirms that, in accordance with Proper Practices, the annual review of internal audit should be received and recorded as such by the Council (or delegated committee). Any actions planned from the outcomes of the tests undertaken along with the narrative reports from the Internal Auditors should be the subject of an audit plan detailing actions to be undertaken, members or officers responsible for delivering improvement and deadlines for the completion of the actions.</i>
Has the Council confirmed the appointment of an internal auditor?	Yes	At the meeting in June 2024, full council, having reviewed the effectiveness of its internal audit arrangements with full regard to the statutory requirements for internal audit in terms of size, scope and current financial arrangements, resolved to appoint SALC as its internal auditor for the year 2024-25.
Has the letter of engagement been approved by full council?	Yes	The letter of engagement was formally approved at the meeting of 25 th February 2025 following a recommendation and review by the Finance and Governance Committee. <i>Comment: by approving the letter of engagement, Council will be following Proper Practices by ensuring it has clarity on the provision of internal audit including the roles and responsibilities, audit planning and timing of visits,</i>

		<i>reporting requirements, rights to access to information, members and officers, period of engagement and remuneration.</i>
<i>Additional comments:</i>		

Section 13 – external audit for the period under review		
The internal auditor will revisit the external audit so that previous weaknesses and recommendations can be considered.		
Evidence		Internal auditor commentary
Has the Council considered the previous external audit report? ¹²	Yes	The External Audit Report and Certificate for the year ending 31 st March 2024 having been received by the Council in September 2024 was submitted to and noted by Full Council with formal adoption at the meeting of 29 th October 2024.
Has appropriate action been taken regarding the comments raised?	N/A	There were no matters which came to the attention of the external auditor that gave cause for concern that relevant legislation and regulatory requirements that have not been met. <i>Comment: Council has noted Regulation 20 (in part) which states that the annual audit letter received from the auditor must be considered by the authority and published (including publication on the authority's website) and to permit copies to be purchased.</i> The Internal Auditor is able to verify that the external auditor report and certificate along with the conclusion of the external audit have been published on the Council's website. Details as to how copies may be purchased have also been included.
Additional comments: in order to comply with the Regulation 16 of the Accounts and Audit Regulations 2015, Council has demonstrated that it is aware that, as soon as it is reasonably practical after the conclusion of the audit, it should publish a statement saying that the audit has been concluded, giving the details of the public's rights of inspection under section 25 of the 2014 Act (Local Audit and Accountability Act 2014) and saying where and when those rights may be exercised.		

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.

Section 14 – additional information The internal auditor will look for additional evidence of good record keeping, compliance with data protection regulations, freedom of information and website accessibility regulations.		
Evidence		<i>Internal auditor commentary</i>
<i>Was the annual meeting held in accordance with legislation?</i> ¹³	Yes	Council held its Annual Meeting of the council at which the Chair (Mayor) and other Officers were elected on 7 th May 2024 in accordance with legislation in place at that time.
<i>Is there evidence that Minutes are administered in accordance with legislation?</i> ¹⁴	Yes	Council is aware that that under LGA 1972 schedule 12, paragraphs 41(1) and 44 the draft minutes of a meeting should be formally approved (with any necessary amendments) at the next meeting. At each meeting, the Chair is given formal approval to sign the minutes. At the meeting of 28 th May 2024 Council resolved to re-adopt the Model Councillor Code of Conduct 2020 for the purposes of discharging its duty to promote and maintain high standards of conduct within its area.
<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 the majority of the councillors with access gained as a direct link from the council's own website. <i>Comment: council might wish to review the list of register of interests against serving councillors.</i>
<i>Does the Council have any Trustee responsibilities and if so, are these clearly identified in a Trust Document?</i>	None held	Council does not have any Trustee Responsibilities.
<i>Has the Transparency Code been correctly applied, and information published in accordance with current legislation?</i>	Yes	Council continues to ensure compliancy with the minimum datasets that should be published on a quarterly basis 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. is working towards ensuring compliancy with the minimum datasets that should be published on a quarterly basis as per the requirements as set out in the Local Government Transparency Code (2015), with a range of

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

¹⁴ Public Bodies (Admission to Meetings) Act 1960, Local Government Act 1972, and the Localism Act 2011

		<p>documents relating to the current year being able to view on the Council's website.</p> <p>For Southwold 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 procurement card; the annual reporting of organisational charts; 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.</p> <p><i>Comment: Appendix A of the Local Government Transparency Code 2015 (published February 2015) provides further details of all information to be published along with relevant timescales.</i></p> <p><i>A link to the guide can be found at: Transparency Code 2015</i></p>
<i>Has the Council registered with the Information Commissioner's Office (ICO)?¹⁵</i>	Yes	<p>The Council is correctly registered with the Information Commissioner's Office (ICO) as a Data Controller in accordance with the Data Protection Legislation.</p> <p>The Freedom of Information Act requires every public authority to have a publication scheme, approved by the Information Commissioner's Office (ICO), and to publish information covered by this scheme. Council has such a scheme, which sets out the Council's commitment to make certain classes of information routinely available, such as policies and procedures, minutes of meetings, annual reports and financial information and is available to view on the council's website. The scheme is annually updated by the Finance & Governance Committee with recommendations for amendment submitted to and approved by full council at its Annual Council Meeting (minutes of 28th May 2024 refer).</p>
<i>Is the Council compliant with the General Data Protection Regulation requirements?</i>	Yes	<p>Council has taken active steps to ensure compliancy with the GDPR requirements and has reviewed its GDPR Policies during the year ensuring that at all times it is able to provide clear responsibilities and obligations of the Council in respect of the collecting, using and protecting of personal information in accordance with the provisions of the GDPR. Appropriate Data Protection policies and procedures are in place along with the lawful basis</p>

¹⁵ Data Protection Act 2018

		for the processing of data covered by the regulations as well as policies that deal with the effective management of its records thereby demonstrating that the Council has acted in compliance with its legal and regulatory obligations. <i>Comment: the meeting of 28th May 2024, confirmation was given that the council and councillors were aware of their responsibilities and obligation in relation to the collection, use and protection of personal information in accordance with the provisions of the GDPR and Data Protection Act 2018.</i>
<i>Has the Council published a website accessibility statement on their website in line with Regulations?¹⁶</i>	Yes	The Regulations of the Public Sector Bodies (Websites and Mobile Applications) (No. 2) Accessibility Regulations 2018 was enacted on 23rd September 2018. The regulations aim to ensure public sector websites and mobile apps are accessible to all users, especially those with disabilities. Council's Accessibility Statement details how information will be produced on a website and how to gain access to content that is readily accessible to view as well as 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?¹⁷</i>	Yes	Council has a .com domain for its council website which also supports a secure and digitally managed email system. Council is aware of the importance of ensuring that it uses a secure e-mail system with a gov.uk address thereby identifying that it has local government status and demonstrating authenticity when building trust and credibility with the public. <i>Comment: in accordance with guidance issued, the Clerk / RFO has ensured that they are able to add and remove member and staff email accounts via the Council's nominated IT company. The centralised system will provide effective compliance with GDPR subject access requests and freedom of information requests.</i>
<i>Is there evidence that electronic files are backed up?</i>	Yes	Council's day to day records are automatically back-up daily to a cloud-based secure system.

¹⁶ Website Accessibility Regulations 2018

¹⁷ Practitioners Guide

<i>Do terms of reference exist for all committees and is there evidence these are regularly reviewed?</i>	Yes	Council reviewed the Terms of Reference for its committees at the council meeting held on 28 th May 2024, details of which, including areas of responsibility and delegated authority are published on the website.
Additional comments:		
<p>The Internal Auditor offers her appreciation for the assistance given by the Town Clerk staff in completing this audit. The year-end files were extremely well presented for review and council's staff are to be commended.</p> <p>It is reconfirmed that overall Council has demonstrated effective governance arrangements and can show evidence of strong governance and good financial practice. The internal audit review, undertaken on the documentation provided during both visits to the council's offices, has provided evidence of the overall adequacy of the financial arrangements in place within the council.</p> <p>The examination of the year-end accounts and supporting documentation has further confirmed that the Responsible Financial Officer has satisfactorily undertaken the administration of the Council's financial affairs and produced satisfactory financial management information to enable the council to make well-informed decisions.</p> <p>Recommendations made and/or commentary provided are to enhance the systems in place as opposed to detract from the positive assurance that can be given as to the manner in which the Council's finances are managed.</p> <p>For further information and for the year effective 1st April 2025 please refer to Governance and Accountability for Smaller Authorities in England - A Practitioners' Guide to Proper Practices to be applied in the preparation of statutory annual accounts and governance statements - March 2025.</p>		

Signed: **V S Waples**

Date of Internal Audit Visit: 10.06.2025

Date of Internal Audit Report: 13.06.2025

On behalf of Suffolk Association of Local Councils