

Internal Audit Report for Aldeburgh Town Council for the period ending 31 March 2023

Clerk	Dawn Hannan
RFO (if different)	As above
Mayor	Cllr Kevin Webster
Precept	£ 215,000
Income	£ 259,896
Expenditure	£ 276,978
General reserves	£ 109,264
Earmarked reserves	£ 446,204
Audit type	Annual
Auditor name	Mrs Julie Lawes

Introduction

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

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

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

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

Methodology

When conducting the audit, the internal auditor may:

- conduct a selective assessment of compliance with relevant procedures and controls expected to be in operation during the financial year in order to be able to complete the Annual Internal Audit Report 2022/23 of the Annual Governance and Accountability Return (AGAR)
- review the reliability and integrity of financial information and the means used to identify, measure, classify and report such information
- review the means of safeguarding assets and, as appropriate, verify the existence of such assets
- appraise the economy and efficiency with which resources are employed, identify opportunities to improve performance and recommend solutions to problems
- review the established systems to ensure compliance with those policies, procedures, laws, and regulations which could have a significant impact on operations, and determine whether the council complies
- review the operations and activities to ascertain whether results are consistent with objectives and whether they are being conducted as planned

Section 1 – proper bookkeeping		
The internal auditor will look at the methods and processes used to manage the council’s accounts and in particular that it provides clear data for reporting and monitoring purposes. This includes checking information is accurate, kept up to date, referenced and verified.		
Evidence		<i>Internal auditor commentary</i>
<i>Is the ledger maintained and up to date?</i>	YES	The council uses the Rialtas Omega accounting package. Council follows Proper Practices in ensuring that its accounting procedure gives an accurate presentation of an authority's true financial position.
<i>Is the cash book up to date and regularly verified?</i>	YES	The cash book provides good evidence to support the council’s underlying statements. Regular reports are generated and circulated to councillors detailing receipts and payments and the accounts reconciled to the bank statements showing good internal control.
<i>Is the arithmetic correct?</i>	YES	The accounts were spot checked and were all found to be correct.
Additional comments: For further transparency and scrutiny, the RFO, in accordance with best practice, has referenced all income and expenditure with a description to ensure the integrity of data being input and processed with journal entries between cost codes for the period under review, seen and verified.		

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	At a meeting on 13 th March 2023 the council carried out an annual review of its Standing Orders, these are available to view on the council's website and are based on the Standing Orders produced by NALC in 2018 which take into account changes in legislation from those produced in 2013. 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 are regularly reviewed and fit for purpose.
Are Financial Regulations up to date and reviewed annually?	YES	Financial Regulations were reviewed and agreed at a council meeting held 13 th March 2023. These are available to view on the council's website and are based on the NALC Financial Regulations 2019. COMMENT: Council should look to review the Procurement Thresholds amendments (SI 2022/139) of the Public Contracts (Amendment) Regulations 2022 which came into force on 21st December 2022 and make the changes to the contract value limits from £25,000 to £30,000 for non-central government authorities. The contract value limits are to be calculated inclusive of VAT (effective from 1 st January 2022).
Has the Council properly tailored the Financial Regulations?	YES	The Financial Regulations have been tailored to the council.
Has the Council appointed a Responsible Financial Officer (RFO)? ¹	YES	In accordance with Section 151 of the Local Government Act 1972(d) (financial administration), and as per the council's own Financial Regulations (1.9) the Clerk is the RFO.

¹ Section 151 Local Government Act 1972 (d)

Additional comments:

Section 3 – Payment controls The internal auditor will specifically check bank reconciliation including credit/debit cards and management approval processes and evidence that internal Financial Regulations (FO) are being followed. The internal auditor will examine how regular payments are managed and specifically seek evidence that these have been brought back to the Council for verification purposes especially where the actual payment made differs from the amount previously agreed. VAT should be clearly identified including evidence that claims have been correctly 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		<i>Internal auditor commentary</i>
Is there supporting paperwork for payments with appropriate authorisation?	YES	A selection of expenditure items was made, and cross checked against the cash book, invoices and bank statements. A list of payments is presented to councillors ensure formal approval of expenditure. RECOMMENDATION: In accordance with the council Financial Regulations 5. Banking Arrangements and Authorisation of Payments, council is required to disclose a detailed list of all payments within the minutes or as an attachment. <i>5.2. The RFO shall prepare a schedule of payments requiring authorisation, forming part of the Agenda for the Meeting and present the schedule to council. The council shall review the schedule for compliance and, having satisfied itself shall authorise payment by a resolution of the council. The approved schedule shall be initialled by the Chairman of the Meeting. A detailed list of all payments shall be disclosed within or as an attachment to the minutes of the meeting at which payment was authorised. Personal payments (including salaries, wages, expenses and any payment made in relation to the termination of a contract of employment) may be summarised to remove public access to any personal information.</i>
Where applicable, are internet banking transactions properly recorded and approved?	N/A	The council does not operate internet banking. Council does have use of a Barclays Debit Card, management of which is detailed within the Financial Risk Assessment procedures.

Is VAT correctly identified, recorded, and claimed within time limits?	YES	Aldeburgh Town Council has, within Rialtas Accounting, signed up to Making Tax Digital (MTD) with Rialtas automatically submitting quarterly submissions directly to HMRC on behalf of the council. <u>Claims for 2022-2023</u> 1st April - 30th June 2022 = £19,537.10 1st July - 30th September 2022 = £2,206.70 Total of the two figures combined evidenced as received in the Barclays account at £21,743.80 on 10th February 2023 1st October - 31st December 2022 = £2,927.43 evidenced as received in the Barclays account 24th March 2023. 1st January - 31st March 2023 = £7,030.13 Not yet received. .
Has the Council adopted the General Power of Competence (GPOC) and is there evidence this is being applied correctly? ²	N/A	The council has not adopted the General Power of Competence.
Are payments under s.137 ³ separately recorded, minuted and is there evidence of direct benefit to electorate?	YES	A budget of £10,000 was set by the Property and Finance Committee for the year under review with a total value of £4,630.00 allocated.
Where applicable, are payments of interest and principal sums in respect of loans paid in accordance with agreements?	N/A	The council has no loans.
Additional comments:		

² Localism Act

³ Section 137 of the Local Government Act 1972 (“the 1972 Act”) enables local councils to spend a limited amount of money for purposes for which they have no other specific statutory expenditure. The basic power is for a local council to spend money (subject to the statutory limit – of £8.82 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	The Financial Risk Assessment, alongside the General Risk Assessment was considered for the period under review at a meeting of the council on 13 th March 2023. These are published on the council website for transparency.
<i>Is there evidence that risks are being identified and managed?</i>	YES	The council has taken steps to identify, assess and record the risks associated with its actions and decisions that could have financial or reputational consequences. Following a review of the Risk Assessment document recommendations are being made at the next meeting of the Property and Finance Committee.
<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>	YES	The councils Insurance document showing cover under a Local Council Policy with Zurich Municipal, Policy Number: YLL-272003-4213 was seen and provides the following cover: Public/Products Liability: £15m; Hirer's Liability cover £2m; Employers Liability cover £10m. Premises cover for 6 premises is in place along with Business Interruption for 4 identified premises. Fidelity Guarantee cover is £500k. The policy is next due for renewal 1st April 2024. RECOMMENDATION: As advised at the last audit, council should look to increase the Fidelity Guarantee cover which is recommended to be at least the sum of the year end balances plus 50% of the precept / grants to be received. Council was advised to increase this to £750k which was to be actioned.
<i>Evidence that internal controls are documented and regularly reviewed⁴</i>	YES	In accordance with the Accounts and Audit Regulations 2015, within the Financial Risk Assessment Document, council has documented that it

⁴ Accounts and Audit Regulations

		<p>reviews the internal controls and the risks associated with the management of public finances. The Town Clerk detailed Internal Control procedures in place advising of regular reviews.</p> <p>RECOMMENDATION: That a councillor be nominated to complete the Internal Control Checklist documenting evidence of the review which should then approved by Council / Committee alongside the Internal Control Statement.</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>	<p>NO</p>	<p>COMMENT: By reviewing the effectiveness of the internal audit council would have followed guidance demonstrating that it recognises that the function of the internal audit is to test and report to the authority on whether its system of control is adequate.</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
<i>Verify that budget has been properly prepared and agreed</i>	YES	The budget for 2022/2023 was first discussed at a meeting of the Property and Finance Committee held 22 nd November 2021. This was then taken to full council at a meeting on 11 th January 2022 where it was resolved to approve the proposed budget for 2022/2023. The Town Council budget is published on the council website and clearly details the current year’s spending v budget and predicted budget broken down into itemised headings.
<i>Verify that the precept amount has been agreed in full Council and clearly minuted</i>	YES	The precept for 2022/2023 was set at £215,000 and formally approved at a meeting of full council on 11 th January 2022.
<i>Regular reporting of expenditure and variances from budget</i>	YES	A review is undertaken by the Property and Finance Committee with reference to the council income and expenditure and balances held. The reports submitted provided evidence of comparisons between budgeted and actual income and expenditure and for the basis of approval for virements in accordance with councils own Financial Regulations. The Property and Finance Committee reported a review of variances at a meeting held 24 th October 2022 which was then taken to full council for consideration at a meeting held 14 th November 2022. At a council meeting held 13 th February 2023 a further review was undertaken.
<i>Reserves held – general and earmarked⁶</i>	YES	The councils accounts show a general reserve of £109,264 and an earmarked reserve of £446,204.

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>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.</p> <p>RECOMMENDATION: That council adopt a General Reserves Policy stating what is regarded as acceptable amounts to be held by council and the purpose, in accordance with guidance issued by Proper Practices. 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).</p>
<p>Additional comments: Budget: Council shows good practice by following the recommended key stages as to the budgetary process to be followed for the year:</p> <ul style="list-style-type: none"> • decide the form and level of detail of the budget; • review the current year budget and spending; • determine the cost of spending plans; • assess levels of income; • bring together spending and income plans; • provide for contingencies and consider the need for reserves; • approve the budget; • confirm the precept or rates and special levies; and • review progress against the budget regularly throughout the year. 		

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 and promptly banked. A number of income items were cross checked against the cash book and bank statements and found to be in order.
<i>Is income reported to full council?</i>	NO	RECOMMENDATION: That council record the income received in council minutes providing a clear financial trail.
<i>Does the precept recorded agree to the Council Tax Authority’s notification?</i>	YES	The receipt of the precept to the value of £215,000 was recorded in two separate payments in April and September.
<i>If appropriate, are CIL reporting schedules in accordance with the Regulations?⁷</i>	YES	The council recorded a retained balance from 2021/2022 of £31,360 with one payment received of £6,115.
<i>Is CIL income reported to the council?</i>	YES	Expenditure over the year totalled £557 toward a Leiston Road parking project leaving a remaining balance of £36,918
<i>Does unspent CIL income form part of earmarked reserves?</i>	YES	The CIL report is published on the council website signed by the Mayor and Town Clerk.
<i>Has an annual report been produced?</i>	YES	
<i>Has it been published on the authority’s website?</i>	YES	
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>	YES	The council operates a petty cash system.
<i>If appropriate, is there an adequate control system in place?</i>	YES	All transactions are recorded separately on the accounting software and reconciled accordingly. The petty cash is separated from the day-to-day transactions of other accounts. The float is maintained with a paper record of any income and expenditure.
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 two employees on its payroll for the year under review. All staff had contracts and salary was approved by full council. It is noted a new Town Clerk was employed from 21st February 2023 and a contract is in place. Minimum wage is not paid.
<i>Has the Council approved salary paid?</i>	YES	
<i>Minimum wage paid?</i>	N/A	
<i>Are arrangements in place for authorising of the payroll and payments to the council? Does this include a verification process for agreeing rates of pay to be applied?</i>	YES	The payroll function is operated in accordance with HM Revenue and Custom guidelines. There are suitable payroll arrangements in place which ensures the accuracy and legitimacy of payments of salaries and wages, and associated liabilities and as such the council has complied with its duties under legislation.
<i>Do salary payments include deductions for PAYE/NIC? Is PAYE/NIC paid promptly to HMRC?</i>	YES	The payroll function for the year under review was carried out in-house and operated in accordance with HM Revenue and Customs guidelines. 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	Council is due to make its re-declaration to the Pensions Regulator in June 2023. The Town Clerk and Deputy Clerk did not have pensions in place for the year under review, but are in the process of arranging independent schemes.
<i>Are there any other payments (e.g.: expenses) and are these reasonable and approved by the Council?</i>	YES	Council approves all expenses as and when occurred.
Additional comments: 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.		

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

Section 9 – Asset control		
<p>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 was reviewed during the Internal Audit Visit for year-end and reflects those items listed under insurance and within the Town Council's remit for maintenance and ownership.
<i>Is the value of the assets included? (Note value for insurance purposes may differ)</i>	YES	It was noted that the declared value for all assets at year-end 31 st March 2023 was £1,924,306 seeing an increase to £1,988,276 as recorded in the Section 2 Accounting Statements.
<i>Are records of deeds, articles, land registry title number available?</i>	N/A	The Asset Register records the description, date of acquisition, location value and date of disposal and value. Deeds, articles and land registry documents were not viewed.
<i>Is the asset register up to date and reviewed annually?</i>	YES	The Asset Register details regular reviews with full council approving a meeting held 13th March 2023.
<i>Cross checking of insurance cover</i>	YES	All Risks cover is in place and covers those items listed as infrastructure. Specific cover for specialised items is listed within the insurance document.
Additional comments:		

⁹ Practitioners Guide

Section 10 – bank reconciliation		
The internal auditor will seek to establish that the Council understands and can evidence good practice and internal control mechanisms in relation to bank reconciliation.		
Evidence		Internal auditor commentary
<i>Is bank reconciliation regularly completed and reconciled with the cash book and cover every account?</i>	<i>Partly Met</i>	<p>Bank Reconciliations are conducted on a monthly basis and are produced by the accounting software.</p> <p>RECOMMENDATION: In accordance with the council Financial Regulations 2. Accounting and Audit (Internal and External) council should conduct regular reporting of the reconciliation to council.</p> <p><i>2.2. On a regular basis, at least twice a year, and at each financial year end, the appointed financial scrutineers shall verify bank reconciliations (for all accounts) produced by the RFO. The scrutineers shall sign the reconciliations and the original bank statements (or similar document) as evidence of verification. This activity shall on conclusion be reported, including any exceptions, to and noted by the council.</i></p> <p>COMMENT: Council recorded an incorrect figure for the Co-op Investment Account, recording the end of year figure for March 2022 of £88,700.84, when the correct figure for March 2023 is £88,802.30.</p> <p>RECOMMENDATION: That the accounts be corrected and reconciled accordingly.</p>
<i>Do bank balances agree with bank statements?</i>	<i>NO</i>	<p>As detailed above, the Co-op Investment Account was stated at the wrong figure on the Rialtas System and requires correcting.</p> <p>Accounts held are as detailed:</p> <p>Barclays Current Account £354,314.37 Ipswich Building Society £79,551.51 Co-op Investment Account £88,802.30 (corrected) Petty Cash £244.67 Barclays Base Rate Account £103,796.80</p>

		Totalling £626,710.90 across the council accounts, with outstanding cheques totalling £2,633.31 giving a final balance of £624,077.59.
<i>Is there regular reporting of bank balances at Council meetings?</i>	<i>NO</i>	There is no record within the council or committee minutes to detail balances across the council accounts are reported. Financial Regulations specify this is to be undertaken on a regular basis, at least twice a year, and at each financial year end.
<i>Additional comments:</i>		

Section 11 – year end procedures		
Evidence		<i>Internal auditor commentary</i>
<i>Are appropriate accounting procedures used?</i>	YES	Accounting procedures are appropriately used.
<i>Financial trail from records to presented accounts</i>	YES	There is a clear financial trail from budgeting, invoice, authorisation, payment and banking.
<i>Has the appropriate end of year AGAR¹⁰ documents been completed?</i>	YES	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. The draft completed version was provided to the Internal Auditor prior to approval by council.
<i>Did the Council meet the exemption criteria and correctly declared itself exempt?</i>	N/A	The council was unable to declare itself exempt due to having income / expenditure over £25k.
<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 dates for the exercise of public rights were set as Monday 20 th June 2022 to Friday 29 th July 2022 which included the mandatory first 10 working days of July. This was evidenced on the council's website with the notice publicised.
<i>Have the publication requirements been met in accordance with the Regulations?¹¹</i>	YES	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 2022 and published the following on a public website: <ul style="list-style-type: none"> • Internal Audit Report of the AGAR • Section 1 – Annual Governance Statement of the AGAR • Section 2 – Annual Accounting Statements of the AGAR • Section 3 – External Audit Report and Certificate.

¹⁰ Annual Governance & Accountability Return (AGAR)

¹¹ Accounts and Audit Regulations 2015

		<ul style="list-style-type: none">• Notice of the period for the exercise of public rights• Notice of the Conclusion of Audit
<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		<i>Internal auditor commentary</i>
<i>Has the Council considered the previous internal audit report?</i>	YES	The Internal Audit Report was considered by full council at a meeting held 13 th June 2022 at which it recorded ‘no significant comments’. This was then discussed further by the Property and Finance Committee at a meeting 27 th June 2022.
<i>Has appropriate action been taken regarding the recommendations raised?</i>	NO	Items raised, still outstanding <ul style="list-style-type: none"> • Council should look to increase the Fidelity Guarantee cover which is recommended to be at least the sum of the year end balances plus 50% of the precept / grants to be received • Council should review the effectiveness of the Internal Audit – check if done internal control • Council does not detail the precept or budget figure approved in minutes, therefore not providing a trail of information for future reference or transparency • Income is not reported to full council – only payments - other than within the 6 month income v expenditure report detailed in February 2023. • Minutes remain with no page numbers or footers, with some minutes not recording the year and agenda items starting with 1. at each meeting. The minutes are not detailed as signed and dated, merely approved. This gives a lot of room for error, with the possibility for records being mis-managed. • Council shows no record of being compliant with GDPR Regulations, with no documentation or procedures in place. • Council does still not have in place a Website Accessibility Statement in place as required within the Website Accessibility Regulations 2018

<i>Has the Council confirmed the appointment of an internal auditor?</i>	YES	The council confirmed the appointment of the Internal Auditor for 2022/2023 at a meeting held 13 th March 2023
<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		<i>Internal auditor commentary</i>
<i>Has the Council considered the previous external audit report?¹²</i>	YES	The External Audit Report was resolved as accepted at a meeting of council held 14 th November 2022.
<i>Has appropriate action been taken regarding the comments raised?</i>	N/A	No issues were raised by the External Auditor.
Additional comments:		

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	The Annual Town Council Meeting was held 9 th May 2022 with its first item on the agenda the election of the Mayor and signing of the Declaration of Acceptance of Office as specified in the councils Standing Orders.
<i>Is there evidence that Minutes are administered in accordance with legislation?</i> ¹⁴	NO	Minutes remain with no page numbers or footers, with some minutes not recording the year and agenda items starting with 1. at each meeting. The minutes are not detailed as signed and dated, merely approved. This gives a lot of room for error, with the possibility for records being mis-managed.
<i>Is there a list of members' interests held?</i>	Partly Met	Evidence was seen on the East Suffolk Council website of the Register of Interests for current Town Councillors. Councillors register of interests » East Suffolk Council Council is reminded that whilst the monitoring officer of the East Suffolk Council must arrange for the Town council's register of members' interests to be available, where the Town council has its own website, its register of members' interests must also be published on that website. (Openness and transparency on personal interests - A guide for councillors – August 2012) COMMENT: This was noted at the previous audit.
<i>Does the Council have any Trustee responsibilities and if so, are these clearly identified in a Trust Document?</i>	N/A	The council has no trustee responsibilities.
<i>Has the Transparency Code been correctly applied, and information published in accordance with current legislation?</i>	Partly Met	Councils with income over £25,000 but under £200,00 will be expected (but are not legally required to do so) to follow the Local Government Transparency Code 2015 (turnover exceeding £200,000). Council is working towards ensuring compliance with the requirements under the Transparency Code 2015.

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>COMMENT: Council could work towards ensuring compliancy with the requirements of publishing the following data on its website in accordance with the required timescales: <u>Publish Quarterly:</u> Individual items of expenditure that exceed £500; Government Procurement Card transactions; Invitations to tender for contracts over £5,000; Details of contracts that exceed £5,000. <u>Publish Annually:</u> Details of all land and building assets; Grants to Voluntary, Community and Social Enterprise Organisations; Organisational Chart.</p>
<i>Has the Council registered with the Information Commissioner's Office (ICO)?¹⁵</i>	YES	The Council is registered with the ICO as a data controller. Registration Certificate ZA313081 expiry date 31st January 2024.
<i>Is the Council compliant with the General Data Protection Regulation requirements?</i>	NO	<p>Council has no adopted General Data Protection Requirements.</p> <p>RECOMMENDATION: As identified within the 2020/2021 and 2021/2022 Internal Audit Reports, it was identified council should take reasonable steps to ensure they are compliant with the General Data Protection Act. Council should look to adopt policies that detail 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. Council will also need to consider the manner in which it responds to Subject Access Requests (SAR); the internal procedures on the handling of SARs and the framework as to how it will deal with security breach incidents covering organizational risks. Such policies should also include procedures for rectification and erasure or restriction of processing.</p>
<i>Has the Council published a website accessibility statement on their website in line with Regulations?¹⁶</i>	NO	<p>The council has not published a Website Accessibility Statement.</p> <p>RECOMMENDATION: This remains an outstanding action item.</p>
<i>Does the council have official email addresses for correspondence?¹⁷</i>	Partly Met	The Town Clerk and some Councillors have officially recognised email accounts for Aldeburgh Town Council, but some remain with personal addresses.

¹⁵ Data Protection Act 2018

¹⁶ Website Accessibility Regulations 2018

¹⁷ Practitioners Guide

		RECOMMENDATION: Council should consider using a secure e-mail system with a gov.uk address which is owned by the Town council (section 5.16 of the Practitioners' Guide to Proper Practices – March 2021) rather than relying on the use of personal e-mail addresses that can change regularly. This reduces the risk of correspondence going astray or being delayed.
<i>Is there evidence that electronic files are backed up?</i>	YES	Electronic files are backed up by Ipswich Computer Services to a cloud based system.
<i>Do terms of reference exist for all committees and is there evidence these are regularly reviewed?</i>	NO	The council has no terms of reference for committees. RECOMMENDATION: The Town Clerk has confirmed Terms of Reference are to be introduced for all committees.
Additional comments:		

Signed: *J. Lawes*

Date of Internal Audit Visit:

Date of Internal Audit Report: 24th May 2023

On behalf of Suffolk Association of Local Councils