Internal Audit Report for Claydon and Whitton Parish Council

for the period ending 31 March 2026

Clerk	Currently vacant
RFO (if different)	Currently vacant
Chairperson	Councillor Chris Studd
Precept	£30,400.00
Income	£60,802.85
Expenditure	£77,169.80
General reserves	£13,165.84
Earmarked reserves	£353,466.89
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 2025/26 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 – 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		*Internal auditor commentary*
Have Standing Orders been adopted, up to date and reviewed annually?	*Yes*	Council's Standing Orders, as reviewed and adopted in May 2025, are based on the Model Standing Orders published by the National Association of Local Councils (NALC), in 2018 with revisions in 2022. **Recommendation: council should seek to adopt the updated Model Standing Order (England) 2025 which contain amendments to sections 14 (Code of Conduct complaints) and 18 to comply with new procurement legislation and ensure consistency with the revised Model Financial Regulations.**
Are Financial Regulations up to date and reviewed annually?	*Yes*	Financial Regulations, as seen on the Council's website were reviewed at the meeting in May 2026 and are based on those produced in 2025 and incorporate the provisions outlined in 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*	In accordance with Section 151 of the Local Government Act 1972(d) (financial administration), council, for the year under review appointed a person to be responsible for the administration of the financial affairs of the relevant authority.
Additional comments:		

Section 2 – 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

[1] Section 151 Local Government Act 1972

Evidence		Internal auditor commentary
Verify that budget has been properly prepared and agreed	*Yes*	The budget for the year 2025 - 2026 was approved at the Council meeting of 7th January 2025. From paperwork seen this was set at £48,605.00 to be funded from the precept and known reserves. The budget for the year 2026 - 2027 was approved at the council meeting of 13th January 2026. Again, there is no mention in the minutes of the budget being set and approved by Council. *Comment: to ensure transparency in the budgetary process followed by the council, it should evidence, within the minutes, the actual budget being set alongside the reasoning for such a budget.*
Verify that the precept amount has been agreed in full Council and clearly minuted	*Yes*	The minutes of 7th January 2025 confirmed that the precept to be levied for the year 2025 - 2026 was approved. From paperwork seen this would be set at £42,760. The minutes confirmed that council had aimed to keep the precept at a zero increase over that set for the previous year. The precept for the year 2026 - 2027 was discussed and approved at the meetings of 13th January 2026 and set at £44,287 which would represent a nil increase on a Council Tax Band D over that set for the previous year. *Comment: in accordance with best practice, council has noted that it should record in the minutes the impact the precept being set would have on a Band D Dwelling in percentage and monetary terms.*
Regular reporting of expenditure and variances from budget	*Yes*	Council received reports detailing reviews covering comparisons between budgeted and actual income and expenditure. *Comment: council has noted the regularity in which the reports are received and ensured it is acting in accordance with the timescales as specified in its own Standing Order 17c.*
Reserves held – general and earmarked[2]	*Yes*	The Council, as at year-end, had overall reserves of £366,632.73 broken down as General Reserves totalling £13,165.84 and Earmarked Reserves of £353,466.89 which includes the CIL Reserve. Council has ensured that it follows guidance as issued by Proper Practices which states that it is regarded as acceptable for a council's general (non-

[2] 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

		earmarked revenue) reserves to be equal to 3 to 12 months of Net Revenue Expenditure and seek to adopt a level to ensure that there are sufficient sums to deal with unforeseen spending pressures within a particular financial year. *Comment: The Council might wish to consider adopting a formal Reserves Policy which sets out the rationale for the level of general reserves, including how it intends to achieve and maintain an appropriate level in line with Proper Practices.* Council has noted that 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).
Additional comments: *council has demonstrated that it followed the key stages in the budgeting process:* • *Decide the form and level of detail of the budget* • *Review the current year budget and spending* • *Assess levels of income* • *Bring together spending and income plans* • *Provide for contingencies and consider the needs of reserves* • *Approve the budget* • *Confirm the precept or rates and special levies and* • *Review progress against the budget regularly throughout the year*		

Section 3 – 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*
Is the ledger maintained and up to date?	*Yes*	Computerised spreadsheets were submitted for internal audit review, and these have been used to produce reports on a Receipts and Payments basis.
Is the ledger on the correct basis in relation to the gross income/expenditure?	*Yes*	Council's gross income and expenditure level is below the threshold of £200,000. Council's operating under this limit may choose either to report on an income and expenditure basis or on a receipts and payments (R&P)

		basis. Council has elected to continue to report on a receipts and payments basis
Is the cash book up to date and regularly verified?	*Yes*	The cashbook is reconciled on a regular basis.
Is the arithmetic correct?	*Yes*	A number of spot checks were conducted, and the functionality of the cashbook was found to be in order.
Additional comments: *to demonstrate best practice, the RFO might wish to consider ensuring that the minutes and/or cashbook refer to the powers used to incur expenditure. Statutory powers are granted by Parliament and give local councils the choice or opportunity to act and are therefore discretionary. Like all powers given to public bodies the powers of local councils are defined in detail in legislation and these details may include a requirement to obtain the consent of another body. Local Councils must exercise their powers subject to the provisions of the general law.*		

Section 4 – 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*	A selection of random payments were cross checked against minutes, cash book, bank statement and invoices and all were found to be recorded / authorised in accordance with Proper Practices. A financial statement is submitted at each relevant meeting detailing the payments to be made and approval given to incur the expenditure. There is however limited reference made within the body of the minutes as to the payments being authorised although it is confirmed that council is operating within Financial Regulation 6 for the settlement of its accounts.

		Recommendation: in accordance with council's adopted Financial Regulation 5.2 reference should be made within the body of the minutes as to the payments being authorised.
Where applicable, are internet banking transactions properly recorded and approved?	*Yes*	Internet banking is operated in accordance with the Council's adopted Financial Regulations and Internal Control Statement and is used for the settlement of the Council's expenditure.
Is VAT correctly identified, recorded, and claimed within time limits?	*Yes*	VAT is identified in the cash book with the year-end VAT position standing at £7,109.81. *Comment: the Clerk has ensured that the council has complied with section 33 of the 1994 VAT Act which allows local authorities and other public bodies to recover VAT incurred on costs associated with: non-business activities, taxable business activities where the body is VAT registered (subject to the normal rules), and exempt business activities (where the input tax incurred in relation to exempt activities is considered to be insignificant).*
Has the Council adopted the General Power of Competence (GPOC) and is there evidence this is being applied correctly?[3]	*N/A*	The council has not confirmed eligibility criteria to enable it to exercise the GPOC.
Are payments under s.137[4] separately recorded, minuted and is there evidence of direct benefit to electorate?	*Yes*	Payments allocated as donations in the cashbook totalled £857. *Comment: Whilst Council identifies payments as donations within its accounts, there is no separate identification as to whether these are in fact s137 payments. Council is advised that s137 has an expenditure limit of £11.10 per elector for the year 2025-26. This power is also a "power of last resort" and should only be used where there is no specific statutory power available and expenditure should be justified by the direct benefit to the area or residents.* **Recommendation: as advised council should seek to refer to the power being used when incurring expenditure to ensure that there is clarity on the monies being spent to support the local community.**

[3] Localism Act

[4] *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 £11.10 per elector) on purposes for the direct benefit of its area, or part of its area, or all or some of its inhabitants.*

Where applicable, are payments of interest and principal sums in respect of loans paid in accordance with agreements?	*N/A*	Council has no such loans.
Additional comments:		

Section 5 – 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*	Income is recorded in accordance with the Council's Financial Regulations. The accounting records contain day-to-day entries of all sums of money received.
Is income reported to full council?	*Yes*	Income received was reported to full Council within the financial reports submitted to full Council. **Recommendation: in order to provide transparency in the monitoring processes of the council and its use of public funds, it is advised to ensure that there is a clear record of expenditure passing through the account and that any variances in income received is reported to full council.**
Does the precept recorded agree to the Council Tax Authority's notification?	*Yes*	Council received precept in the sum of £42,760 from Mid Suffolk District Council in April and September 2025. 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.
If appropriate, are CIL reporting schedules in accordance with the Regulations?[5]	*Yes*	CIL reporting schedules are maintained in accordance with the Regulations
Is CIL income reported to the council?	*Yes*	Council did not receive any CIL receipts during the year under review.

[5] Community Infrastructure Levy Regulations 2010

Does unspent CIL income form part of earmarked reserves?	*Yes*	The accounts earmarked as CIL funds show year-end balances on 31st March 2026 of £238,618.57. This also includes interest received and it is assumed that, in accordance with the Regulations, the balance of monies outstanding has been transferred into a (restricted) earmark reserve.
Has an annual report been produced?	*Yes*	Whilst an annual statement has been produced detailing the relevant figures and carry forward balance, Council might wish to ensure that it completes and submits the Annual CIL Monitoring Statement to Mid Suffolk District Council in accordance with the regulatory timescales.
Has it been published on the authority's website?	*Not yet*	The Annual CIL Monitoring Statement has still to be uploaded to the website.
Additional comments:		

Section 6 – 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
Is petty cash in operation?	*N/A*	*The council does not operate a petty cash system.*
If appropriate, is there an adequate control system in place?	*N/A*	

Section 7 – 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

Is bank reconciliation regularly completed and reconciled with the cash book and cover every account?	*Yes*	Bank reconciliations were completed on a regular basis throughout the year. An interrogation of the cash book and bank statements demonstrate that 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 corrections were not forthcoming).
Do bank balances agree with bank statements?	*Yes*	Bank balances as of 31st March 2026 agree with the year-end bank statements and at year-end stood at £366,632.73 across the accounts held in the parish council's name.
Is there regular reporting of bank balances at Council meetings?	*Yes*	Balances across the Council's accounts are reported at each meeting of full Council. Council's risk assessment confirms that reconciled accounts including bank reconciliation are presented to the council at council meetings, thereby demonstrating that an internal review and verification of the bank reconciliation versus the bank statements has been undertaken. This is not only good practice but is also a safeguard for the RFO and fulfils one of the authority's internal control objectives.
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
Do all employees have contracts of employment?	*Yes*	Council had two employees registered on its payroll at the period end of 31st March 2026. Employment contracts were not reviewed during the internal audit, but it has been confirmed that Contracts of Employment were in place for all employees.
Has the Council approved salary paid?	*Yes*	All salary payments are presented to full Council for approval and payment is made via internet banking in accordance with council's own Financial Regulations. Amendments to contracts are formally approved by full Council.

		Comment: Council has noted the requirement to ensure that it formally approves amendments to any employee's pay, emoluments, or terms and conditions of employment.
Are all employees paid at least the minimum wage?	*Yes*	All employees are paid above the minimum wage.
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?	*Yes*	There are suitable payroll arrangements in place which ensures the accuracy and legitimacy of payments of salaries and wages, and as such the council has complied with its duties under legislation.
Do salary payments include deductions for PAYE/NIC? Is PAYE/NIC paid promptly to HMRC?	*Yes*	The payroll function for the year under review is operated in accordance with HM Revenue and Customs guidelines and outsourced. Cross-checks were completed on a sample of payments covering salary and all were found to be in order. Deductions due to be paid to HM Revenue and Customs during the year under review are made in accordance with approved schedules.
Is there evidence that the Council is aware of its pension responsibilities? Are pension payments in operation?[6]	*Yes*	Council is aware of its pension responsibilities, with one member of staff enrolled into a pension scheme provided by the employer.
Have pension re-declaration duties been carried out	*Yes*	Council last recorded its re-declaration to the Pension Regulator on 19th January 2026.
Are there any other payments (e.g.: expenses) and are these reasonable and approved by the Council?	*Yes*	There is a satisfactory expense system in place and all expenses claimed are approved by full council with supporting paperwork in place and reimbursed in accordance with Council's Financial Regulations.
Additional comments:		

Section 9 – Year End procedures	
Evidence	*Internal auditor commentary*

[6] The Pension Regulator – website click here

Are appropriate accounting procedures used?	*Yes*	Accounts are produced on a receipts and payments basis.
Financial trail from records to presented accounts	*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. 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.
Has the appropriate end of year AGAR[7] documents been completed?	*Yes*	As Council is a smaller authority with gross income and/or expenditure exceeding £25,000 it will be required to complete the Annual Governance and Accountability Return (AGAR) Form 3.The Annual Governance Statement and Accounting Statements were approved at a meeting of 30th July 2026.
Did the Council meet the exemption criteria and correctly declared itself exempt?	*N/A*	As the council had gross income and expenditure exceeding £25,000 during 2024-2025 it could not declare itself exempt from a limited assurance review for the year ending 31st March 2025.
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?	*Yes*	The internal auditor is able to confirm that the period for the public rights exercise covered the period 3rd June to 14th July 2025. It is confirmed that the notice of the public rights for the year ending 31st March 2025, dated 2nd June 2025, was found on the council operated website. *Comment: 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 is 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.*
Have the publication requirements been met in accordance with the Regulations?[8]	*Yes but note comments*	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, as it has

[7] Annual Governance & Accountability Return (AGAR)
[8] Accounts and Audit Regulations 2015

	for 2025-2026	published the following for the year 2024 - 2025 on a publicly accessible website: those in **bold** are however missing from the website • **Internal Audit Report of the AGAR – *link does not work*** • Section 1 – Annual Governance Statement of the AGAR - unaudited • Section 2 – Accounting Statements of the AGAR – unaudited • Declaration that the accounting statements are as yet unaudited. • Notice of the period for the exercise of public rights and other information required by Regulation 15 (2), Accounts and Audit Regulations 2015. • Section 3 – The External Auditor Report and Certificate • Notice of Conclusion of Audit • Sections 1 and 2 of the AGAR as audited. *Comment: as outlined under the Accounts and Audit Regulations 2015, statutory dates must be observed for the publication of specific data relating to the council's accounts. Those in bold should have been uploaded to the website by 30th September 2025.* For the year 2025-2026, council is advised that the following documents should be uploaded by 1st July 2026: • Notice of the period for the exercise of public rights and a declaration that the accounting statements are as yet unaudited; • Section 1 - Annual Governance Statement 2025/26 approved and signed, page 4 • Section 2 - Accounting Statements 2025/26 approved and signed, page 5 **Recommendation: as council has not uploaded the documentation listed above by 1st July 2026 (dates as specified under the Accounts and Audit Regulations 2015), it is advised to review its response and answer in the "Negative" to Assertion 3 of the Annual Governance Statement.**
Additional comments:		

Section 10 – 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
Is there evidence of risk assessment documentation?	*Yes*	The risk assessment documentation as reviewed provides details of the risks associated with the functioning of a smaller authority and the measures that the Council will undertake to mitigate such risks. The Risk Register for the year under review was considered and adopted by the council at its meeting in April 2025.
Is there evidence that risks are being identified and managed?	*Yes*	Council is aware that risk assessment needs to focus on the safety of the parish council's assets and in particular its money. There is evidence that overall, the parish council has taken action to identify and assess those risks and has considered what actions or decisions it needs to take during the year to manage in order to avoid financial or reputational consequences. *Comment: council has in place monitoring documents which identify the risks involved with and the potential for improvements to its arrangements to protect public money. It provides the opportunity for reviews of operational as well as financial and governance reviews by members to ensure that it has mitigation measures in place to address the risks associated with the council's day to day operations.*
*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?*	*Yes*	Council has insurance in place under a Community Schem Policy with Hiscox Insurance. The schedule shows core cover for the following: Public Liability £10million; Employer Liability £10million; and Officials and Trustee Indemnity cover of £500thousand. *Comment: council has followed the recommended guidance by ensuring that its Fidelity Cover is 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 and/or during the year upon receipt of grants.* During the year under review, evidenced from a review of the minutes of the meeting in May 2025, council is able to demonstrate that it is 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 insurance and that annual reviews of the Council's insurance were undertaken prior to renewal. *Comment: Council has ensured that it 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).*
Evidence that internal controls are documented and regularly reviewed[9]	*No*	Whilst Council adopted an Internal Control Statement for the year ending 31st March 2025, there is no evidence to confirm that council carried out a review of its internal controls for the year 2025-2026 and that it considered whether the financial and management systems of the council were sound and adequate and internal control arrangements were efficient and effective to address the risks associated with the management of public finances. *Whilst it is evidenced from the document previously adopted, that the council would have been able to confirm that the financial and management systems of the council were sound and adequate, in accordance with Regulation 6 of the Accounts and Audit Regulations 2015, council is advised that it must reconfirm on an annual basis that its internal control arrangements are efficient and effective to address the risks associated with the management of public finances.* **Recommendation: to comply with Regulation 6 of the Accounts and Audit Regulations, council is advised to readapt the internal control statement at the earliest opportunity ensuring that the document is dated with the meeting at which the statement is formally adopted.**
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 appointment[10]	*Yes*	Council formally reviewed the scope and effectiveness of its internal audit arrangements at the meeting at which approval of the SALC letter of engagement was considered. *Comment: council has noted that, in accordance with the Accounts and Audit Regulation 2015, it must review the terms of reference and effectiveness of internal audit and demonstrate that it has understood that the role of internal audit is to evaluate and report on the adequacy of the system of internal control.*

[9] Accounts and Audit Regulations
[10] Practitioners Guide

Additional comments:

Section 11 – 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
Does the Council maintain a register of material assets it owns and manage this in accordance with proper practices?[11]	*Yes*	The Asset Register is held on a computerised system and 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. It is noted that the declared value for all assets at year-end (31.03.2026) is £59,117 which reflects nil movement in the year under review.
Is the value of the assets included? (Note value for insurance purposes may differ)	*Yes*	Council is mindful of the guidance within the Governance and Accountability for Smaller Authorities in England March 2025 on the valuation of its assets and has ensured that where the acquisition value of the asset at the time of first recording is used, that method of valuation has been consistently applied.
Are records of deeds, articles, land registry title number available?	*N/A*	Records of deeds, articles, land registry title number were not reviewed during the internal audit which was conducted via remote means.
Are copies of licences or leases available for assets sited at third party property?	*N/A*	Council has not declared that it has assets located on third party property for which a formal lease is required.
Is the asset register up to date and reviewed annually?	*Yes*	The asset register seen was formally reviewed and signed at the meeting at which the Council formally approved the accounts.

[11] Practitioners Guide

Cross checking of insurance cover	*Yes*	Council has appropriate insurance under all risks cover for its assets as specified under the headings on the insurance schedule. The Asset Register was reviewed 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 items within generic headers.
Additional comments:		

Section 12 – Assertion 10 The internal auditor will be checking that the council complies to the new assertion 10 introduced in the Practitioners' Guide 2025.		
Evidence		*Internal auditor commentary*
Has the Council registered with the Information Commissioner's Office (ICO)?[12]	*Yes*	As a Data Controller, all local authorities are required to register with the Information Commissioner's Office (ICO) in accordance with Data Protection Legislation. Registration Certificate: ZA446640 with an expiry date of 7th August 2026 refers.
Is there an adopted council publication scheme and is it reviewed regularly?	*No*	The Freedom of Information Act 2000 requires every public authority to have a publication scheme, approved by the ICO, and to publish information covered by this scheme. Council's publication scheme was viewed on the website. **Recommendation: Council's scheme appears to have last been updated in 2015 and contains out of date contact details.**
Is the Council compliant with the General Data Protection Regulation requirements?[13] *Councils must:*	*Work required*	Whilst Council has taken steps to ensure compliancy with the GDPR requirements and has adopted a Document Retention Policy and has a General Privacy Notice on its website, it is advised that council should have clear policies detailing the manner in which the parish council will protect and handle information relating to personal information. The policies should provide clear responsibilities and obligations of the council in respect of the

[12] Data Protection Act 2018
[13] UK General Data Protection Regulation (UK GDPR) and the Data Protection Act 2018.

• *Comply with their legal & statutory obligations under UK GDPR & The Data Protection Act 2018* • *Process personal data lawfully, fairly and in line with the prescribed data protection principles* • *Recognise their role as both data controller and data processor*		collecting, using and protecting of personal information in accordance with the provisions of the GDPR and covers the measures that the council will undertake to ensure adequate provision for the preservation of documents, books and papers belonging to the parish. *Comment: To achieve best practice, councils are recommended to:* • *Carry out data protection audits, mapping personal data being processed and carrying out data risk assessments.* • *Have appropriate policies in place for dealing with subject access and freedom of information requests* • *Have appropriate information compliance policies and ways of working in place that reflect how the council operates to protect personal data from breaches.* • *Provide regular data protection compliance training for council staff and councillors.*
Has the Transparency Code been correctly applied, and information published in accordance with current legislation?	*Work required*	Whilst the Local Government Transparency Code 2015 applies to local authorities, including parish councils with annual income or expenditure (whichever is the higher) over £200,000, Smaller Authorities with total turnover or expenditure greater than £25,000 but under £200,000, should as best practice comply with the Local Government Transparency Code 2015; the government believes that in principle all data held and managed by local authorities should be made available to the public unless there are specific sensitivities to doing so, as per the Practitioners' Guide 5.127. *Comment: Council might wish to review the provisions of the Local Government Transparency Code 2015 and consider whether it might be able to work towards ensuring compliancy with the requirements of publishing the following data on its website in accordance with the required timescales:* *Publish quarterly: Individual items of expenditure that exceed £500 (currently published on an annual basis); Government Procurement Card transactions; Invitations to tender for contracts over £5,000; Details of contracts that exceed £5,000.* *Publish annually: Details of all land and building assets; Grants to Voluntary, Community and Social Enterprise Organisations; Organisational Chart.*

Has the Council published a website accessibility statement on their website in line with Regulations?[14]	*No*	Council has accessibility tools on its website and had published a website accessibility statement on the council operated website detailing the technical information of the website along with the methods used for testing the website; the steps being taken to improve accessibility and how the site is being improved to ensure that content meets the Web Content Accessibility Guidelines. However, the statement confirms that although the website was last tested on 21st May 2026, it was tested against the 2.1AA standards. **Recommendation: Council should seek to commission an Accessibility Statement and reference how the website complies with the updated WCAG 2.2 AA Standards under Regulation 8 of the Public Sector Bodies (Websites and Mobile Applications) (No. 2) Accessibility Regulations 2018**.
Has website accessibility been tested, at least annually?	*Yes*	The statements states that the website was last tested on 21st May 2026.
Does the council have, as a minimum, a single generic email address on an authority owned domain, for correspondence?[15] *For example clerk@abccouncil.gov.uk or clerk@abccouncil.org.uk*	*Yes*	Council currently operates with the website: https://claydonandwhitton-pc.gov.uk/ which supports authority-owned email accounts thereby ensuring that sensitive information is handled in a controlled environment with appropriate security measures. This aligns with GDPR principles such as data minimisation, integrity and confidentiality.
Does the council have an IT policy that is tailored to the council? [16]	*No*	To warrant a positive response to assertion 10, smaller authorities (excluding parish meetings) must have an IT policy. This explains how everyone - clerks, members and other staff - should conduct authority business in a secure and legal way when using IT equipment and software. This relates to the use of authority-owned and personal equipment. **Recommendation: that council adopts an IT policy that mandates the use of authority-owned email accounts for official business. These policies are designed to ensure that all communications are conducted in a manner that is consistent with the authority's**

[14] Website Accessibility Regulations 2018
[15] Practitioners Guide
[16] Practitioners Guide

		standards and legal obligations. It is important to personalise the template for the specific use of your authority.
Additional comments:		

Section 13 – 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 Internal Audit Report for the period ending 31st March 2025 was formally considered by and approved for adoption at the meeting of full Council of 7th July 2025.
Has appropriate action been taken regarding the recommendations raised?`	*In progress*	The following matters or recommendations raised in the report is still to be actioned: 1. **Review of the Data Protection Policy**
Has the Council confirmed the appointment of an internal auditor?[17] *Has the letter of engagement been approved by full council?*[18]	*Yes*	The appointment of the person to act as the parish council's independent internal auditor for the year 2025 - 2026 was approved at the council meeting of 13th April 2026. *Comment: Council has understood the requirement to ensure that there is an appointed person to provide assurance that the financial and management systems of the council are sound and adequate and internal control arrangements are efficient and effective.* The letter of engagement was approved at the same meeting. *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, reporting requirements, rights to access to information, members and officers, period of engagement and remuneration.*

[17] Practitioners' Guide
[18] Practitioners' Guide

Additional comments:

Section 14 – 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?[19]	*Yes*	Full council received and considered the External Audit Report and Certificate for the year ending 31st March 2025 at its meeting of 8th December 2025.
Has appropriate action been taken regarding the comments raised?	*Yes*	Except for the matters reported below, on the basis of their review of Sections 1 and 2 of the Annual Governance and Accountability Return (AGAR), the external auditor stated that the information in Sections 1 and 2 of the AGAR was in accordance with Proper Practices and no other matters have come to their attention giving cause for concern that relevant legislation and regulatory requirements have not been met. Their commentary was as follows: • The AGAR has not been signed/approved in accordance with the Accounts and Audit Regulations 2015: • The AGAR does not contain the minute references of the approval by the smaller authority (Section 1 and 2), as the date has been included as the minute references. The minutes from the meeting where the AGAR were reviewed but it was not possible to determine whether Section 1 was approved prior to Section 2 in accordance with the Accounts and Audit Regulations 2015.

[19] 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.*

		Recommendation: council is advised to ensure that the minute reference is clearly identified on each document noting that Section 1 should be approved prior to Section 2.
The Internal Auditor is unable 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 in accordance with the prescribed timescales. Details as to how copies may be purchased have also been included. *Comment: Council has noted Regulations 16 and 20 of the Accounts and Audit Regulations 2015 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 council should allow copies to be purchased.*		

Section 15 – 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		*Internal auditor commentary*
Was the annual meeting held in accordance with legislation? [20]	*Yes*	Council held its Annual Meeting of the Parish Council on 12th May 2025 in accordance with legislation in place at that time. The election of Chair was the first item on the agenda.
Is there evidence that Minutes are administered in accordance with legislation? [21]	*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. It is not clear whether, at each meeting, the Chair is given formal approval to sign the minutes. **Recommendation: is advised to ensure that all of the loose-leaf minutes and associated documents of the parish council are consecutively numbered, initialled and signed by the person chairing the meeting at the time of signature which ensures their lawful providence.**

[20] The Local Government Act 1972 Schedule 12, paragraph 7 (2) and Schedule 15 (2)
[21] Public Bodies (Admission to Meetings) Act 1960, Local Government Act 1972, and the Localism Act 2011

Is there a list of members' interests held?	*Yes*	A copy of the members' interests for all serving councillors was seen on the parish council's website. There is no link from that of the parish council's website.
Does the Council have any Trustee responsibilities and if so, are these clearly identified in a Trust Document?	*N/A*	Council has no declared trustee responsibility.
Is there evidence that electronic files are backed up?	*Yes*	It is assumed that council uses a system whereby a back-up of the council's data is taken and stored appropriately.
Do terms of reference exist for all committees and is there evidence these are regularly reviewed?	*N/A*	Council does not operate with Standing Committees.
Additional comments:		

Signed: Victoria Waples

Date of Internal Audit review: 27.07.26-30.07.26 Date of Internal Audit Report:30.07.2026

On behalf of Suffolk Association of Local Councils