

Report to Fornham All Saints Stanton Parish Council Internal Audit of the Accounts for the Period Year Ending 31st March 2024

The primary objective of Internal Audit is to independently review, appraise and provide assurance upon the control environment, making sure that controls are mitigating the Council from increased risk exposure, and to achieve this, the internal auditor will adopt a predominantly systems-based approach to audit.

The Accounts for the year ending 31st March 2024 can be summarized as follows:

Income for year:	£33,186.31
Expenditure to date:	£35,160.88
Precept figure:	£25,109.00
General Reserves:	£25,109.00
Earmarked Reserve:	£ 2,540.06

The following Internal Audit work was conducted on the adequacy of systems of internal control in accordance with the scope previously approved by the Council with particular emphasis upon the following:

- Review and assess the soundness, adequacy, effectiveness and reliability of financial and performance management systems
- Review and assess the efficiency and effectiveness of internal control arrangements and working practices and make recommendations to improve these where appropriate
- Review and assess the adequacy of procedures to ensure the Council's assets and interests are adequately protected and risks are identified and effectively managed
- Check for compliance with legislation and the Council's integrity and ethical standards, policies and procedures

Comments and any recommendations arising from the review are made below.

Subject & tests conducted	Comments/Recommendations
<p>1. Proper book-keeping. Examination of</p> <ul style="list-style-type: none"> • Cashbook • Reconciliations of cashbook 	<p>The Council uses excel spreadsheets to records its financial transactions from which it is able to produce reports on a receipts and payments basis. Cash books are reconciled on a monthly basis to ensure the accounting records are kept up to date.</p> <p>Post November 2023, council follows Proper Practices in ensuring that its accounting procedure gives a more accurate presentation of an authority's true financial position by focusing on the balance of economic benefits that it has under its control, rather than just its bank balance and the Responsible Financial Officer (RFO) has produced clear financial management information to the Council on a monthly basis.</p> <p><i>Comment: the RFO, in accordance with best practice, has ensured that the cashbook for 2024-2025 has been expanded to allow regular monitoring of expenditure versus budget thereby allowing council to take corrective action where necessary.</i></p> <p>Scrutiny of the cashbook ensured that the correct roll forward of the previous financial year cashbook into the new financial year had been achieved and that appropriate accounting techniques were used in the recording of the council's transactions for the year under review.</p>
<p>2. Payment controls. Examination of:</p> <ul style="list-style-type: none"> • Understanding of the process involved for reclaiming VAT • Expenditure controls • Internal Banking controls • Procurement controls • s137 payments • Loans 	<p>For the year under review, VAT has been identified in the cash book and at year-end the balance due to council stood at £2,036.90. It is understood that the RFO is in the process of submitting this reclaim to HM Revenue and Customs over the coming months. The VAT reclaims for the period 1st April 2021 to 31st March 2023 (2 reclaims) were submitted and settled in February 2024.</p> <p><i>Comment: the locum clerk and current clerk, being aware that local authorities are exempt from VAT, have understood that the council is able to reclaim the purchase tax element of non-business activity when the council is not registered for VAT, provided such a claim is made within 4 years after the end of the month in which the supply was received. The clerk has confirmed that, moving forward, reclaims will be made on an annual basis.</i></p> <p>A selection of random payments were cross checked against payment authorisation slips, cash book, cheque book, bank statement and invoices and all were found to be recorded/authorised in accordance with proper practices.</p> <p><i>Comment: council is aware that the payments of gifts to members of the public is not covered by legislation and that without the General Power of Competence such payments are beyond its powers.</i></p>

A further spot check of items paid via the BACS/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. Post November, for clarity and transparency, the clerk has ensured that each payment schedules submitted to council (along with corresponding minutes) contain the full details of the payment to be made along with the "power to pay". The schedule is reference with details of the power being used to incur such expenditure. The schedules retained within the council's files provide details of those signatories who have authorised payment.

Comment: latterly, council has noted that statutory powers, being granted by parliament, give local councils the choice or opportunity to take action 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.

Post January 2024, council elected to settle its financial transactions via direct bank transfer. Whilst two signatories have full access to the account with notification alerts as to when payments are being made, council has not implemented a two-tier security system for payments which are settled by the BACS system. Whilst the system ensures that the instructions for each payment are signed by one of four authorised bank signatories, council has failed to ensure that there is effective segregation between those setting up online payments and those physically releasing the payments.

Recommendation: council should seek to implement the two-member signature control to ensure that it has safe and efficient arrangements for the controls over money and to ensure that such payments are made in accordance with its own Financial Regulation 6.9. This not only protects the RFO but fulfils an internal control objective to ensure the safeguarding of public money.

From a review of the minutes and the invoices submitted, council shows good practice by ensuring that, on receipt of invoices, verification that the relevant goods or services have been received is obtained and invoices checked to ensure that the arithmetic is correct, agreed discounts have been deducted and everything is acceptable regarding reclaiming the VAT.

Payments made under the LGA 1972 s137 power for the year under review were within statutory limits and deemed to be of benefit to those living in the area.

Comment: the Council operates the grants or donations within the remit of the eligibility criteria

	<p><i>ensuring that the statutory limit (£9.93 per elector) is adhered to, and the expenditure is on purposes for the direct benefit of its area, or part of its area, or all or some of its inhabitant.</i></p>
<p>3. Standing Orders & Financial Regulations Examination of:</p> <ul style="list-style-type: none"> • Compliance • Annual Review • Adherence • Appointment of Responsible Financial Officer 	<p>Council’s Standing Orders, having been reviewed at the meeting of 19th March 2024, contain the latest provisions for contract thresholds. Those seen on the website reflect the latest adopted version.</p> <p><i>Comment: whilst council is aware of the requirement to ensure that the SOs are fully tailored to the council and that in accordance with proper practices they need to be regularly reviewed, fit for purpose and adhered to, it should seek to replace the 2021 version on the website with the latest adopted Standing Orders.</i></p> <p>Financial Regulations (FR), as seen on the council’s website show that they were adopted in 2019 and reviewed at the meeting of 19th March 2024. These also contain the latest provisions for contract thresholds and have been tailored to the parish council.</p> <p><i>Comment: council should ensure that, having tailored the FRs to fit the council’s circumstances (where the provisions are not in bold text), they are adhered to and annually reviewed.</i></p> <p>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.</p>
<p>4. Risk Management.</p> <ul style="list-style-type: none"> • Annual Review and Minuted • Review of risks associated with <ul style="list-style-type: none"> ➤ Financial Management ➤ Cemetery ➤ Building/ Assets • Fidelity Guarantee Cover Insurance <ul style="list-style-type: none"> ➤ Adequate ➤ Reviewed • Internal Controls documented and regularly reviewed • Insurance Policy reviewed, cover appropriate and adequate 	<p>From a review of the minutes, the internal auditor is unable to confirm that the council formally considered the risks associated with the functioning of a smaller authority and the measures that the council will undertake to mitigate such risks. Whilst the minutes show that council has focused on the safety of the parish council’s assets and in the main 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.</p> <p>Recommendation: for council to be able to demonstrate that, in accordance with Proper Practices, the risks are being annually reviewed, assessed and appropriate measures are in place to protect public money, an updated risk assessment should be submitted to and considered by the council in the year under review. It is noted in the AGAR statement dated May 2024, that a Risk Management Strategy has been redrafted and will be presented to council at a future meeting. Council is advised to ensure that this is minuted and evidenced during the year under review to allow a positive response to Assertion 5 – Risk Management.</p> <p>Given comments raised above, and with reference to council’s own FRs, the internal auditor is</p>

	<p>unable to confirm that there are in place specific control procedures for payments made by direct bank transfer.</p> <p>Recommendation: Council is advised to note 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. Council is advised to consider regular reviews by a non-signatory, thereby separating the roles of overview from that of authorisation, of the effectiveness of its system of internal control to ensure that it has mitigation measures in place to address the risks associated with the management of public finances. Proper practices states that this should be done annually.</p> <p>Council’s Insurance Document was seen during the time of internal audit and the following were verified: Public / Products liability cover is £10million, Employer’s Liability cover is £10million and Officials and Trustees Indemnity is £500thousand. At renewal (October 2023), council is confirmed to be in a long-term undertaking until 30th September 2025.</p> <p><i>Comment: Fidelity Guarantee (Officials and Trustees Indemnity) cover at £500,000 is in accordance with guidance, which provides that the cover should be at least the sum of the year-end balances plus 50% of the precept/grants to be received in the following April/May. Council has ensured that balances and cash flow are monitored to ensure that cover is appropriate as balances increase.</i></p> <p>All risk cover is confirmed as being in place for items listed under generic headings for those located within the boundaries of Fornham All Saints. Noting that it is the responsibility of the whole Council to satisfy itself that insurances are adequate and that having identified, assessed and recorded the risks, appropriate measures, such as the appropriate use of insurance cover, council formally recorded via a minute reference in March 2024 that, although the review of the asset register versus insurance was missed off the minutes of the meeting in September 2023, a formal review had been undertaken of the insurance in place against the asset register.</p> <p><i>Comment: in accordance with Proper Practices, Council has identified its key risks and taken steps to manage them in a way which it can justify to a level which is tolerable by transferring the risk and buying in services from specialist external bodies and taking out insurance. Overall Council has understood the requirement to have in place safe and efficient arrangements to safeguard public money.</i></p>
<p>5. Budgetary controls. Examination of:</p> <ul style="list-style-type: none"> • Verification of process of setting of budget • Monitoring of budget 	<p>Full Council approved the budget for 2023-2024 at its meeting of 17th January 2023. From paperwork seen it is noted that the revenue budget set in the sum of £25,109 would be funded by the precept which was a 2% increase over that set for the previous year.</p> <p>The budget for the year 2024-2025 was set at the meeting of 16th January 2024 with the minutes</p>

<ul style="list-style-type: none"> • Reserves 	<p>demonstrating that the budget and precept be set at the same level for the previous year and that this would be a nil increase in that over the prior year.</p> <p><i>Comment: whilst Council is aware that the preparation of an annual budget is one of the key statutory tasks to be undertaken by an authority, for clarity and transparency it should ensure that the level of budget is clearly evidenced in the Council’s minutes. Council is also advised to ensure that the minutes show the actual figures being approved so that there is clarity on the budget, precept and implications for Band D Council Tax.</i></p> <p>There was no evidence of budget monitoring during the year with little detail forthcoming with regards to committed expenditure and detailed information for current funded projects. Council has not received the level of monitoring detail as specified in its own Standing Orders.</p> <p>Recommendation: for council to show good practice it should seek to follow 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. <p>The Council, as at 31st March 2024, had general reserves totalling £25,109.00 and earmarked reserves totally £ 2,540.06.</p> <p><i>Comment: Council should be aware of the guidance as issued by Proper Practices which states that it is regarded as acceptable for a council’s general (non-earmarked revenue) reserves to be equal to 3 to 12 months of Net Revenue Expenditure and should ensure that the level of general reserves adopted is in accordance with its General Reserve Policy. There is no upper limit for Earmarked Reserves, but they should be held for genuine and intended purposes and their level subject to regular review and justification (at least annually).</i></p> <p>Recommendation: Council should note guidance as issued under the Practitioners Guide March 2024 which states that an authority needs to adopt, as a general reserve policy, the level of reserves that are appropriate to their size, situation, risks and plan their budget so as to ensure that the adopted level is maintained. Council should have in place a General Reserve Policy and should review the level and purpose of any set earmarked reserves.</p>
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<p>6. Income controls. Examination of:</p> <ul style="list-style-type: none"> • Precept • Other income • Debtors 	<p>Council received precept in the sum of £25,109 from West Suffolk District Council for the year in April 2023 as reported to full council within its financial reports at its meeting in May 2023. 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. The precept was approved at the meeting of 17th January 2023 but the minutes fail to provide clarity and transparency in the recording of the amount being set and the impact that this would have overall on that set the previous year.</p> <p>The precept for the year 2024 – 2025 was discussed and approved at the meeting of 16th January 2024 and set at the same level as that for the previous year. From paperwork seen, the setting of the precept for the year 2024-2025 resulting in a decrease of -2.11.00% or -£1.76 on a Band D dwelling over that set for the year 2023-2024.</p> <p><i>Comment: council might wish to note best practice which advises that the minutes should be expanded to reflect the increase per household per year and the ensuing Band D Property Tax Bill for the coming year.</i></p> <p>Spot checks on further items paid under BACS / Direct Credit into the council's accounts were cross checked against cashbook, bank statements and remittance advices received. All were found to be in order with a clear underlying audit trail. Income received is reported to full council within the financial reports submitted at each meeting.</p>
<p>7. Payroll controls. Examination of:</p> <ul style="list-style-type: none"> • Management of payroll • PAYE/NIC system in place • Compliance with HMRC procedures • Records relating to contracts of employment • Compliance with Pensions Duties • Treatment of expenses 	<p>Following the termination of the clerk’s contract in October 2023, council employed a Locum Clerk for a period of three months. At the meeting of 17th February 2024, the current clerk was confirmed in post. It is confirmed that the clerk to the council has a contract in place which details the relevant particulars of employment, allowances and pension provisions. At year-end, council had one employee on its payroll.</p> <p>The payroll function for the year under review was carried by Suffolk Association of Local Councils who were contracted to carry out this function.</p> <p>Cross-checks on the year under review were completed on a sample of payments covering salary and PAYE and were all found to be in order and operated in accordance with HM Revenue and Customs guidelines. In accordance with Proper Practices, PAYE taxes and employee and employer National Insurance contributions (NIC) are calculated and recorded for every employee. Deductions are paid to HM Revenue and Customs on or before the dates prescribed.</p> <p>It is confirmed that the NJC pay award as outlined in E01-23 Local Government Services Pay Agreement 2023 has been applied to the relevant staff member as well as the former clerk in</p>

	<p>post at the time the pay award became effective. <i>Comment: There are robust 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 employment legislation.</i></p> <p>Salaries are paid in accordance with contracted hours worked for with overtime or training requirements being approved at each relevant meeting. Council is advised to ensure that budgetary processes take account of changes to employment contracts and relevant adjustments made during the year.</p> <p>Council has yet to take action on the comment raised in the internal audit report for the year ending 31st March 2023 in regard to its pension responsibilities. Clarity needs to be sought on whether council has completed a re-declaration of compliance with the Pensions Regulator following council’s first completed declaration of compliance in August 2016. <i>Comment: Council should be aware that every three years an employer must put certain staff back into a pension scheme. This is known as ‘re-enrolment’. This is an employer’s legal duty, and councils must let the Pension Regulator know when they have completed the task by completing and submitting a re-declaration of compliance.</i> Recommendation: it is suggested that the council liaises with The Pension Regulator to address this matter.</p>
<p>8. Petty cash/expenses procedure.</p>	<p>Council does not operate a system of petty cash.</p>
<p>9. Bank reconciliation. Examination of:</p> <ul style="list-style-type: none"> • Reconciliations • Cashbook • Bank Statements 	<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 the council. <i>Comment: Council is aware that, in accordance with Proper Practices, the bank reconciliation is a key tool for management as it assists with the regular monitoring of cash flow which aids decision-making, particularly when there are competing priorities. In accordance with Proper Practices.</i></p> <p>Council has followed Proper Practices which state that bank reconciliations should be prepared routinely, subject to independent scrutiny and signed by members. Section 5.18 states that “It is a requirement of the current model financial regulations that bank reconciliations be prepared regularly, approved by members and signed as part of the regular minute record”. <i>Comment: by implementing a system whereby the Chair or other signatory independently reviews the bank reconciliation and confirms, via a minute reference, that such a review has taken place, is not only good practice but is also a safeguard for the RFO and fulfils one of the authority’s internal control objectives.</i></p>

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	<p>Reconciled bank balances as at 31st March 2024 agree with the year-end bank statements and the data obtained from the cashbook and banks statements and stand at £27,649.06 across the accounts held in the name of the council.</p> <p><i>Comment: the internal auditor is able to verify the year-end bank reconciliation detail and can ensure that the combined cash and bank balances as identified are included within the AGAR, section 2, line 8.</i></p>
<p>10. Asset control. Examination of:</p> <ul style="list-style-type: none"> • Asset Register • Checks on existence of assets • Recording of fixed asset valuations • Cross checking on insurance cover 	<p>The Asset Register for year-end reflects those items listed under insurance and within the parish council's remit for maintenance and ownership. The Asset Register currently stands at £145,392.44 which takes into account acquisitions during the year under review. The minutes of 19th March 2024 confirm that an updated asset register was adopted and a review of insurance against assets had been carried out. A number of assets have been stated at acquisition value (or proxy value where original value is unknown) with community assets or gifted assets being given the proxy value of £1.</p> <p>The War Stock and Lloyds Bank Share Certificates owned by the Council were not presented to the Internal Auditor to examine but it was confirmed that the shares, value of £84.26, have since been cashed in. The RFO has noted that the asset register will need to be adjusted accordingly.</p> <p><i>Comment: Council follows the requirements for smaller authorities to record each asset at its original purchase cost or were 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 remains unchanged until disposal.</i></p> <p>From a review of the asset register alongside the insurance cover provided, confirmation is given of the overall adequacy of cover of insurance for the ensuing year. Appropriate insurance is in place under generic category headings based on policy declared values.</p>
<p>11. Internal Audit: Examination of:</p> <ul style="list-style-type: none"> • Reporting of Previous Internal Audit Reports • Review of internal audit • Appointment of internal auditor 	<p>The Internal Audit Report for the period ending 31st March 2023 was considered at the meeting of 20th February 2024 and formally accepted and approved by the Parish Council at the meeting of 19th March 2024.</p> <p>The following recommendations were raised in the internal audit report for the period ending 31st March 2023:</p> <ol style="list-style-type: none"> 1. FOI document should be updated 2. Receipt of bank statements and balance of each account at each meeting with the meeting formally receiving documents submitted 3. Counterfoils of each cheque to be signed to confirm the correctness of the payee and the amount and to meet the financial control requirements listed within the Council's Financial Regulations (item 6.5). 4. The Council's contact address details held by the Charity Commission are out-of-date

	<p>as they record the address of a previous Clerk.</p> <ol style="list-style-type: none"> 5. Approval of the Accounts no later than 30 June and compliance with the legislative requirements regarding the approval of the Accounts, the publication of the Accounts with supporting information as well as meeting the requirements for the Public Rights of Inspection. 6. The Final Copy of Section 3 of the AGAR 2021/22 (the External Audit Report and Certificate 2021/22) should be published on the Council’s website as soon as practicably possible. 7. Internal controls for the management of the council’s payments and separation of duties 8. Publication of the notice of conclusion of the prescribed dates. <p><i>Comment: Council has noted that the annual internal audit report should inform the Council’s response to Assertion 2 and Assertion 6 of the annual governance statement and that it should minute its review of the report and actions planned from the outcomes of the AGAR tests and content of the narrative report from the Internal Auditor.</i></p> <p>In accordance with the Accounts and Audit Regulations 2015, the Parish Council formally reviewed the scope and effectiveness of its internal audit arrangements at the meeting at which the independent internal auditor was appointed for the year under review. Mrs Waples was appointed to act as the parish council’s independent internal auditor, for the year 2023-2024 at a meeting of full Council of 8th February 2024.</p> <p><i>Comment: Council has understood the requirements, under proper practices, that it should have in place an audit plan detailing roles and responsibilities for internal audit, audit planning and timing of visits, reporting requirements; access to information; period of engagement and remuneration.</i></p>
<p>12. External Audit Examination of:</p> <ul style="list-style-type: none"> • Reporting of External Audit Report • Publication requirements 	<p>The External Auditor’s Certificate and Report for the year ending 31st March 2023 was considered by the Parish Council at its meeting of 19th March 2024. A review of the External Audit Certificate as submitted to the meeting of 19th March 2024 notes that “the smaller authority has disclosed that it made proper provision during the year 2022/23 for the exercise of public rights, by answering Yes to Section 1, Assertion 4. However as was reported last year, we are aware that it failed to do this and therefore should have answered No to this Assertion. It has also disclosed that it took appropriate action on all matters raised in reports from internal and external audit, by answering Yes to Section 1, Assertion 7, which, on the basis of the above, is not correct. Section 1, Box 9 has been completed incorrectly. The smaller authority has confirmed that the Council does act as sole trustee and Section 2, boxes 11a and 11b should have been answered Yes. Therefore, the answer to Section 1, Box 9 should not be N/A.</p> <p>The report also draws reference to the Internal Audit Report in which the weaknesses in relation</p>

	<p>to Internal Objective 1 are mentioned with council being advised to address those areas in a timely manner.</p> <p>Following a review of the website, it is confirmed that council failed to comply with the publication requirements of the Accounts and Audit Regulations 2015, as it did not publish the External Auditor Certificate by 1st October 2023.</p> <p>Recommendation: as a smaller authority with either income or expenditure exceeding £25,000 but not exceeding £6.5 million, council should ensure that it complies with the publication requirements of the Accounts and Audit Regulations 2015 for the year ending 31st March 2024 and publish both the conclusion of the audit and the external audit certificate and report by 30th September 2024.</p>																														
<p>13. Year-end procedures.</p> <p>Examination of:</p> <ul style="list-style-type: none"> • Appropriate accounting procedures used • Bank Statements and Cash Book agree • Has the appropriate end of year Annual Governance and Accountability Return (AGAR) documentation been completed? • Where an authority certified itself exempt in 2022/23 did it met the exemption criteria and correctly declared itself exempt? • Was there the opportunity provided for the exercise of electors’ rights during Summer 2023? • Have the publication requirements been met in accordance with the Audit & Accounts Regulations of 2015. 	<p>Accounts are produced on a receipts and payments basis. All were found to be in order. There is an underlying financial trail from financial records to the accounts produced.</p> <p>As the Council is a smaller authority with gross income and expenditure exceeding £25,000 but not exceeding £6.5million it will be required to complete Part 3 of the AGAR. Section 1 and Section 2 of the AGAR were presented to full council for approval at the meeting of 21st May 2024 with the DRAFT minutes showing that they were so approved.</p> <p>Recommendation: council is advised to review its response to Assertion 4 prior to the submission of the Annual Governance Statement to the external auditor (see below).</p> <p>The Annual Governance and Accountability Return (AGAR) presented to full Council for approval was examined and the following figures agree with those submitted by the RFO for inclusion in Section 2 Accounting Statements 2023 – 2024 (rounded for purposes of the Return):</p> <table border="1" data-bbox="814 1008 1795 1382"> <tr> <td>Balances brought forward (01.04.23)</td> <td>Box 1</td> <td>29624</td> </tr> <tr> <td>Annual Precept 2023/24</td> <td>Box 2</td> <td>25109</td> </tr> <tr> <td>Total Other Receipts</td> <td>Box 3</td> <td>8077</td> </tr> <tr> <td>Staff Costs</td> <td>Box 4</td> <td>6048</td> </tr> <tr> <td>Loan Interest / Capital Repayments</td> <td>Box 5</td> <td>0</td> </tr> <tr> <td>Total Other Payments</td> <td>Box 6</td> <td>29113</td> </tr> <tr> <td>Balances Carried Forward</td> <td>Box 7</td> <td>27649</td> </tr> <tr> <td>Total Cash and Investments</td> <td>Box 8</td> <td>27649</td> </tr> <tr> <td>Total Fixed Assets</td> <td>Box 9</td> <td>145392</td> </tr> <tr> <td>Total Borrowings</td> <td>Box 10</td> <td>0</td> </tr> </table> <p>As the Council was a smaller authority with gross income and expenditure exceeding £25,000 during the year 2022/2023, it was not able to certify itself as an exempt authority.</p>	Balances brought forward (01.04.23)	Box 1	29624	Annual Precept 2023/24	Box 2	25109	Total Other Receipts	Box 3	8077	Staff Costs	Box 4	6048	Loan Interest / Capital Repayments	Box 5	0	Total Other Payments	Box 6	29113	Balances Carried Forward	Box 7	27649	Total Cash and Investments	Box 8	27649	Total Fixed Assets	Box 9	145392	Total Borrowings	Box 10	0
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	<p>Council has demonstrated that it provided for a period for the exercise of elector’s rights during Summer 2023 with the dates set as 3rd July to 11th August 2023 with the Notice being dated 1st July 2023, as seen on the council’s website.</p> <p><i>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.</i></p> <p>However, upon a further review, whilst the Internal Auditor is able to confirm that the Council did publish a number of documents as specified within the provisions of the Accounts and Audit Regulations 2015 for smaller authorities with income and expenditure not exceeding £25,000, it did not publish them in accordance with the timescales to enable the provision of the public rights to be fully satisfied as the AGAR was not approved by the parish council until 16th August 2023. Council should note the requirement to publish the approved AGAR and the explanatory notes on the website as well as the Notice at least the day before the public rights period starts.</p> <p>Recommendation: Council is advised to reconsider its response to Assertion 4 of the Annual Governance Statement given the late publication of its accounts and provide a note to the accounts to explain the late publication of the documentation relating to the period of the exercise of public rights for the year ending 31st March 2023.</p> <p>The Internal Auditor confirms that council has not complied with the requirements of the Accounts and Audit Regulations 2015 for smaller authorities with income and expenditure not exceeding £25,000 as it failed to publish all of the following for the year 2022/23 on a publicly accessible website: <i>those in bold are missing</i></p> <p>Annual Internal Audit Report of the AGAR Section 1 – Annual Governance Statement of the AGAR Section 2 – Accounting Statements of the AGAR Notice of the period for the exercise of public rights and other information required by Regulation 15 (2), Accounts and Audit Regulations 2015. Conclusion of the audit</p> <p>Section 3 – The External Auditor Report and Certificate Sections 1 and 2 of the AGAR including any amendments as a result of the limited assurance review.</p> <p><i>Comment: Council might wish to note that there is a requirement to ensure that the audited</i></p>
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	<i>Sections 1, 2 and 3 remain available for public access for a period of not less than 5 years from the date of publication.</i>
14. Transparency Code. Examination of: <ul style="list-style-type: none"> • Transparency code requirements 	
15. General Data Protection Regulations (GDPR). Examination of: <ul style="list-style-type: none"> • ICO Registration • Compliance with GDPR requirements 	<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>Whilst council has previously taken active steps to ensure compliancy with the GDPR requirements and has produced a comprehensive suite of policies that provide clear responsibilities and obligations of Fornham All Saints Parish Council in respect of the collecting, using and protecting of personal information in accordance to the provisions of the GDPR, none of them have been reviewed since 2018 with the majority of them containing contact details of a previous clerk.</p> <p><i>Comment: council is advised to review the documentation on the Parish Council’s website which covers the framework that the public can expect for dealing with 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 and ensure that it is still relevant and in compliance with legislation.</i></p> <p>See recommendation below for review of council’s adopted policies.</p>
16. Responsibilities as a Trustee	<p>The Council is the sole trustee to Fornham All Saints Charities (Registration No. 212682). The Charity Commission records the Charity as a Village Fuel Allotment Charity as specified under an early Nineteenth Century Enclosure Award (poor relief to provide winter fuel). The reporting to the Charity Commission is not up to date with the charity commission website stating that the annual return for the year ending 30 April 2023 is 87 days late. Council is kept apprised of any issues arising with the allotments, empty plots and tenancies but it is noted that the charity matters and accounts (such as disbursements and fees set) are not kept separate from the council. Furthermore the contact details on the charity commission have still not been updated despite this being a recommendation from the internal audit for the year ending 31st March 2024.</p> <p>Recommendation: council is advised to ensure that the records lodged with the charity commission are updated and that the annual return for the year ending 31st March 2023 is filed without delay. Furthermore council should ensure that all matters relating to the trust are held in separate meetings with councillors sitting in such meetings as the corporate body. Annual Accounts should be presented to the Parish Council as sole Trustee.</p>
17. Additional comments. Examination of: <ul style="list-style-type: none"> • Annual Meeting • Signing of Declaration of Acceptance of Office 	<p>Council held its Annual Meeting of the newly elected parish council on 23rd May 2023 with the election of the Chair the first item on the agenda in accordance with legislation. Following the resignation of the Chair, the extra ordinary meeting of 16th August 2023, contains provisions for the election of the Chair.</p>

<ul style="list-style-type: none"> • Register of Interests • Minutes • Treatment of Apologies • Openness of Local Government Bodies Regulations 2014 • Policies • Accessibility for websites and Mobile Applications • Use of secure email 	<p>Council resolved to adopt the Model Councillor Code of Conduct 2020 as produced by the Local Government Association (LGA) for the purposes of discharging its duty to promote and maintain high standards of conduct within its area. The adoption was approved by Council at its meeting of 19th March 2024. <i>Comment: council has noted best practice by uploading the adopted code of conduct to its website.</i></p> <p>In accordance with section 83(4) of the 1972 Act, Council has ensured that all councillors, on being elected to office, including that of Chair and Vice-Chair, have signed a declaration of acceptance of office in the presence of the clerk. This was done before or at the first meeting of the council after the election, and where permitted by the council at that meeting, by a later date fixed by the council.</p> <p>Evidence was seen on the District Council’s website of the Register of Interests for 8 serving councillors although the council’s website only shows 7 serving councillors. <i>Comment: council should note that the Chair is the proper person to whom a notice of resignation must be served. Council is advised that upon a resignation of a councillor, the office must be declared vacant by the local authority, publicly notified with proper notification to ensure that the period in which a poll may be claimed begins within the date of notification. If no poll is claimed within the specified timescale, council may fill the vacancy by co-option.</i></p> <p>In accordance with the Local Government Act 1972 Schedule 12 para 41 (1), Council is aware that the looseleaf minutes and associated documents of the parish council should be initialled and signed by the person chairing the meeting at the time of signature which ensures their lawful providence. During the year under review, at each meeting, the Council has approved the minutes and given further approval for them so to be signed. <i>Comment: Council should note that LGA 1972 Schedule 12, paragraph 41 allows for the minutes of the proceedings of meetings of a local authority to be recorded on loose leaves provided that they are consecutively numbered. Council should ensure that it implements such a system.</i></p> <p>The Openness of Local Government Bodies Regulations 2014 were enacted on 5th August and came into force on 6th August 2014. These regulations allow for the filming and recording of Council meetings (and other specified public bodies) and provide for access to records (e.g. of decisions made by officers). <i>Comment: Council might wish to review the provisions of the 2014 Regulations to ensure that, by publishing a range of information online, it is compliant with the provisions of the 2014 Act.</i></p>
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	<p>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.</p> <p><i>Comment: Council has reviewed the provisions of the Regulations to ensure that it is compliant and has produced an Accessibility Statement detailing how information will be produced on its website and how to gain access to content that is not readily accessible.</i></p> <p>A review of the Council’s adopted policies as seen on the website was undertaken during the internal audit review none of which have been reviewed or updated in recent years. In particular, council’s complaints policy, as seen on the website, was adopted in 2016 and contains details of a previous clerk from 2018.</p> <p>Recommendation: to ensure clarity on the relevance of each policy, council is advised to adopt a schedule for the review of policies, procedures and protocols and ensure that policies that deal with requests for information are regularly reviewed, fit for purpose, and adhered to.</p> <p>The Clerk has a “.org.uk” account that is used for council’s business with councillors moving over to council provided emails. The minutes of March 2024 confirm that council is in the process of reviewing the transfer to a .gov.uk domain name.</p> <p><i>Comment: Council is aware of the importance of ensuring that it uses a secure e-mail system thereby identifying that it has local government status and demonstrating authenticity when building trust and credibility with the public and is aware of guidance within proper practices which recommends that a secure email system with a GOV.UK domain name be used to support council’s official email accounts for officers and councillors.</i></p> <p>Further guidance issued over the use of a secure e-mail system with a gov.uk address with dedicated email addresses for councillors can be found at sections 5.210 to 5.219 of the proper practices.</p>
<p>The Internal Auditor offers her appreciation for the assistance given by the Clerk in completing this audit. Acknowledging that the primary role of the internal auditor is to provide independent, objective assurance to members and management that key risks are being managed effectively, a number of comments and recommendations have been made in the light of the year ending 31st March 2024 with areas identified that should be expanded to provide independent assurance that the council’s risk management, governance and internal control processes are operating effectively.</p> <p><i>For further information and for the year effective 1st April 2024 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 2024.</i></p>	

Victoria S Waples

Date of Internal Audit Visit: 30.05.2024

Date of Internal Audit Report: 01.06.2024

**Victoria S Waples, CiLCA, BA(Hons), PSLCC
37 Queenscliffe Road
Ipswich
IP2 9AS**