



Our Ref: MARK/POL001

Ms J Tricker
Polegate Town Council
Council Offices
49 High Street
Polegate
East Sussex, BN26 6AL

1st October 2024

Dear Jo

Re: Polegate Town Council
Internal Audit Year Ended 31 March 2025 – Interim Audit report

Executive summary

Following completion of our interim internal audit on 1st October 2024 we enclose our report for your kind attention and presentation to the council. The audit was conducted in accordance with current practices and guidelines and testing was risk based. Whilst we have not tested all transactions, our samples have where appropriate covered the entire year to date.

Our report is presented in the same order as the assertions on the internal auditor report within the published Annual Governance and Accountability Return (AGAR). The start of each section details the nature of the assertion to be verified. Testing requirements follow those detailed in the audit plan previously sent to the council, a copy of which is available on request. The report concludes with an opinion as to whether each assertion has been met or not at this point in the year. Some assertions are tested only at the final internal audit, and this is reflected where appropriate in the report. **Recommendations for action are shown in bold text and are summarised in the table at the end of the report.**

Our sample testing did not uncover any errors or misstatements that require reporting to the external auditor at this time, nor did we identify any significant weaknesses in the internal controls such that public money would be put at risk.

It is clear the council takes governance, policies and procedures seriously and I am pleased to report that overall, the systems and procedures you have in place are fit for purpose and whilst my report may contain recommendations to change these are not indicative of any significant failings, but rather are pointers to improving upon an already well-ordered system. The systems in place are a model of good practice.

It is therefore our opinion that the systems and internal procedures at Polegate Town Council are well established and followed.

Regulation

The Accounts and Audit Regulations 2015 require smaller authorities, each financial year, to conduct a review of the effectiveness of the system of internal control and prepare an annual governance statement in accordance with proper practices in relation to accounts. In addition to this, a smaller authority is required by Regulation 5(1) of the Accounts and Audit Regulations 2015 to “undertake an effective internal audit to evaluate the effectiveness of its risk management, control and governance processes, taking into account public sector internal auditing standards or guidance.”

Internal auditing is an independent, objective assurance activity designed to improve an organisation’s operations. It helps an organisation accomplish its objectives by bringing a systematic, disciplined approach to evaluate and improve the effectiveness of risk management, control and governance processes. The purpose of internal audit is to review and report to the authority on whether its systems of financial and other internal controls over its activities and operating procedures are effective.

Internal audit's function is to test and report to the authority on whether its specific system of internal control is adequate and working satisfactorily. The internal audit reports should therefore be made available to all Members to support and inform them when they considering the authority's approval of the annual governance statement.

Independence and competence

Your audit was conducted by Mark Mulberry of Mulberry Local Authority Services Ltd, who has over 30 years' experience in the financial sector with the last 14 years specialising in local government.

Your auditor is independent from the management of the financial controls and procedures of the council and has no conflicts of interest with the audit client, nor do they provide any management or financial assistance to the client.

Engagement Letter

An engagement letter was previously issued to the council covering the 2024/25 internal audit assignment. Copies of this document are available on request.

Planning and inherent risk assessment

The scope and plan of works including fee structure was issued to the council under separate cover. Copies of this document are available on request. In summary, our work will address each of the internal control objectives as stated on the Annual Internal Audit Report of the AGAR.

It is our opinion that the inherent risk of error or misstatement is low, and the controls of the council can be relied upon and as such substantive testing of individual transactions is not required. Testing to be carried out will be "walk through testing" on sample data to encompass the period of the council year under review.

Table of contents

		TEST AT INTERIM	TEST AT FINAL	PAGE
A	BOOKS OF ACCOUNT	✓		3
B	FINANCIAL REGULATIONS, GOVERNANCE AND PAYMENTS	✓	✓	4
C	RISK MANAGEMENT AND INSURANCE	✓	✓	6
D	BUDGET, PRECEPT AND RESERVES	✓	✓	7
E	INCOME	✓		7
F	PETTY CASH	✓		7
G	PAYROLL	✓	✓	8
H	ASSETS AND INVESTMENTS	✓	✓	8
I	BANK AND CASH	✓	✓	8
J	YEAR END ACCOUNTS		✓	9
K	LIMITED ASSURANCE REVIEW	✓		11
L	PUBLICATION OF INFORMATION		✓	11
M	EXERCISE OF PUBLIC RIGHTS – INSPECTION OF ACCOUNTS	✓	✓	12
N	PUBLICATION REQUIREMENTS	✓	✓	12
O	TRUSTEESHIP	✓		12
	ACHIEVEMENT OF CONTROL ASSERTIONS AT INTERIM AUDIT DATE			13
	INTERIM AUDIT POINTS CARRIED FORWARD			14

A. BOOKS OF ACCOUNT

Internal audit requirement

Appropriate accounting records have been properly kept throughout the financial year.

Audit findings

The interim audit was conducted on site with the Clerk, who also acts as the council's Responsible Financial Officer (RFO). The Clerk had prepared the requested information advised in advance of the visit, and overall, I have the impression that accounting records are neatly maintained and easily accessible. Other information was reviewed through discussion with the Clerk and a review of the council website <https://polegatetowncouncil.gov.uk/>

The council continues to use RBS Omega suite. This an industry specific accounting package. The RBS system is used daily to report and record the financial transactions of the council.

There are four users with their own individual logons and individual privileges. The RFO is responsible for the maintenance of privileges on the system. Passwords are not routinely prompted to change, and each user has to log onto the council system first before access to the financial reporting package. The system is backed up to the cloud on a real time basis.

1.	RFO	Access all areas
2.	Finance officer	Access all areas
3.	Allotments	Allotments
4.	Admin assistant	read only allotments

The system encompasses, purchase ledger and cashbook. It provides for reconciliation of key control accounts and regular reporting against budget.

Every month, a month end close down is performed by the finance officer, various reports are saved in soft copy only. The soft copies filed in logical order in a specified monthly folder, these include but are not limited to income and expenditure against budget, bank reconciliations and other reports as fit. Overall I have the impression of a well ordered secure system.

The cashbooks are routinely saved and are also retrospectively accessible via the RBS package. The system requires the population of key data fields to enable the user to record a transaction with sufficient detail to understand the nature and scope of the transaction. This is a clear and easy to follow system and a review of the cashbook shows that all data fields are being entered, the reports are easy to read.

My walk-through audit testing of receipts and payments to underlying documentation chosen at random showed that the source documents could be easily located in the council records and referencing is robust and logical.

I tested opening balances as at 1/4/24 showing £651,937.05 and confirmed they could be agreed back to the audited accounts for 2023/24.

The council is VAT registered and the last VAT return was for quarter ended 30th June 2024. This was submitted using the software package under the making tax digital rules and was submitted on time ahead of the deadline. The return was a refund return showing £23,674.35. This test indicates that the council is up to date with its postings on the financial package and that these can be verified to third party evidence. The refund was received on the 15th July.

Overall, I have the impression that the accounting systems are well ordered and routinely maintained and as such I make no recommendation to change. I am of the opinion that the council keeps appropriate records and uses the systems for the purpose for which they are intended.

B. FINANCIAL REGULATIONS, GOVERNANCE AND PAYMENTS

Internal audit requirement

This authority complied with its financial regulations, payments were supported by invoices, all expenditure was approved, and VAT was appropriately accounted for.

Audit findings

Check the publication and minuting of the prior year audited AGAR and notice of conclusion of audit

The External Auditor's Report was qualified and has been published on the council website along with the Notice of Conclusion of Audit and was reported to the council meeting held on the 16th of September 2024 (minute ref 13621).

- *The smaller authority has disclosed that it made proper provision during the year 2023/24 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. The AGAR was not accurately completed before submission for review. Please ensure that amendments are corrected in the prior year comparatives when completing next year's AGAR:*
- *Unpaid direct debits as at the year end have been incorrectly included as reconciling items in the bank reconciliation. The figures in Section 2, Box 8 should read £956,465.*
 - We were in discussion with the council regarding this matter. The late DD collection was beyond the control of the council. Had the payment not been shown the creditors/accruals would have reflected this – resulting in the same year end result. As the external auditor has said the only balance on the AGAR that would change is box 8.

Confirm by sample testing that councillors sign statutory office forms

I confirmed by sample testing that councillors sign "Acceptance of Office" forms. The council website provides a link to the individual councillor's Register of Members' Interests forms. Councillors also correctly sign to receive information by electronic means.

Confirm that the council is compliant with GDPR

The council is fully aware of GDPR and has undergone training. It was noted the council has established common email addresses for all councillors. This is recommended because it gives a natural segregation between work and personal lives, making it clear beyond doubt in what capacity a councillor is acting. In addition to this it gives control to the council, adds a degree of professionalism and in the event of a FOI request limits access to personal computers.

The Joint Panel on Accountability and Governance (JPAG) Practitioner's Guide (March 2023) contains updated guidance on the matter as below:

The importance of secure email systems and GOV.UK

- 5.205. *All authorities except parish meetings must now have an official website. To comply with GDPR, councils should provide official email accounts for their councillors as well as for their clerk and other officers.*
- 5.206. *When choosing a domain name for the council's website and emails, many local council websites are appropriately making use of the official GOV.UK domain (for example, ourparishcouncil.gov.uk), with email addresses being linked to that domain.*
- 5.207. *Using a GOV.UK domain for your council website and email accounts demonstrates the council's official local government status. Members of the public are increasingly cyber security awareness, so a GOV.UK domain can also help to build trust, and credibility and visibly demonstrates authenticity. Many people will now reasonably expect a local council to have a GOV.UK domain name.*

5.208. For the purposes of user management, councils should ensure that the proper officer can add and remove member and staff email accounts. Commercial 'dashboard' email and web systems offer centralised searching of all data contained within the system for effective compliance with GDPR Subject Access Requests and Freedom of Information Requests.

The council has a Privacy Notice and Accessibility Statement on the home page of its website, and it is clear the council has made every effort to comply with the website requirements.

Confirm that the council meets regularly throughout the year

In addition to full council, the council has a number of committees. Terms of reference for the committee are published on the council website, along with future meeting dates and historic agendas and minutes for council and committee meetings. Terms of reference are updated annually.

Check that agendas for meetings are published giving 3 clear days' notice

I was able to confirm that at least 3 clear days' notice is given on agendas. Whilst we have not tested every single committee and council meeting there was no evidence of non-compliance in giving three clear days' notice of the meeting. Back up documentation was clearly available with the agendas.

Check the draft minutes of the last meeting(s) are on the council's website

Draft minutes are posted to the website shortly after the meeting.

Confirm that the Parish Council's Standing Orders have been reviewed within the last 12 months

The Standing Orders are based on the current NALC model and were most recently reviewed and adopted by council on the 20th May 2024. Minute ref 13560

Confirm that the Parish Council has adopted and recently reviewed Financial Regulations

Financial Regulations are based on the current NALC model and were last reviewed and adopted by council on the 20th May 2024. Minute ref 13561. The regulations contain provisions for the approval of spending, setting of budgets, reconciliation of the bank and reporting to council.

Check that the council's Financial Regulations are being routinely followed

FR 4.1. Expenditure on revenue items may be authorised up to the amounts included for that class of expenditure in the approved budget unless specifically resolved otherwise. This authority is to be determined by: • the council for all items over £5,000 unless specifically resolved otherwise • the Clerk, in conjunction with Chairman of Council or Chairman of the appropriate committee, for any items below £5,000 or otherwise as resolved by council. Such authority is to be evidenced by a minute or by an authorisation slip duly signed by the Clerk, and where necessary also by the appropriate Chairman. Contracts may not be disaggregated to avoid controls imposed by these regulations.

FR 4.5. In cases of extreme risk to the delivery of council services, the Clerk may authorise revenue expenditure on behalf of the council which in the Clerk's judgement it is necessary to carry out. Such expenditure includes repair, replacement or other work, whether or not there is any budgetary provision for the expenditure, subject to a limit of £2,000. The Clerk shall report such action to the chairman as soon as possible and to the council as soon as practicable thereafter.

FR 5.2. The RFO shall prepare a schedule of payments requiring authorisation, forming part of the agenda for the meeting and, together with the relevant invoices, 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 ruled off and 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.

FR 5.3. All invoices for payment shall be examined, verified and certified by the RFO to confirm that the work, goods or services to which each invoice relates has been received, carried out, examined and represents expenditure previously approved by the council.

FR 10.1. An official order or letter shall be issued for all work, goods and services unless a formal contract is to be prepared or an official order would be inappropriate. Copies of orders shall be retained.

FR 10.2. Order books shall be controlled by the RFO.

I selected at random invoices over £2000 to test the financial regulations above are being followed:

- 9th May 2024 – Cosmo – grass matting £9,360.– council approval of the purchase noted in the minutes 12/4/24 ref 13525. PO noted, Invoice authorised and payment approval noted, bank evidence of payment noted.
- 9th May 2024 – Hailsham Roadways – road laying - £75,562.28 – council approval of the purchase noted in the minutes 13/10/23 ref 13399. PO noted, Invoice authorised and payment approval noted, bank evidence of payment noted.
- 23/5/2024 – Westcote – SPID device £7,236.00 – Minute ref 13205 - PO noted, Invoice authorised and payment approval noted, bank evidence of payment noted.
- 6/6/2024 – Euro plants – seasonal display £2,709.23 – contract, Invoice authorised and payment approval noted, bank evidence of payment noted.

I am under no doubt that financial regulations are being followed. The council does have a purchase order system in place for many items, and does generally email supplies with formal instruction. There are many layers of compensating controls within the purchasing system such that the inherent risk of errors on orders are very low.

Confirm all section 137 expenditure meets the guidelines and does not exceed the annual per elector limit of £10.81 per elector
The council has the General Power of Competence (GPC). Section 137 thresholds do not apply.

C. RISK MANAGEMENT AND INSURANCE

Internal audit requirement

This authority assessed the significant risks to achieving its objectives and reviewed the adequacy of arrangements to manage these.

Audit findings

FR 17.1. The council is responsible for putting in place arrangements for the management of risk. The Clerk / RFO shall prepare, for approval by the council, risk management policy statements in respect of all activities of the council. The council shall review risk policy statements and consequential risk management arrangements at least annually.

The council has a risk assessment process in place. I reviewed the risk assessments, which are published on the council website. These contain risks broken down by category, the specific risk identified, an assessment of the likelihood, and severity of the risk occurring and the control measures in place.

The council has a system of internal financial controls which were reviewed and approved by council at the same time as updating the Standing Orders and Financial Regulations.

This type of approach is suitable for a council of this size and demonstrates that the council takes its risk management responsibilities seriously.

I confirmed that the council has a valid three year insurance policy in place with Zurich which expires in March 2025. The policy includes Public Liability £15,000,00 and Employers Liability cover of £10 million each and a published Fidelity Guarantee of £2,000,000.

D. BUDGET, PRECEPT AND RESERVES

Internal audit requirement

The precept or rates requirement resulted from an adequate budgetary process; progress against the budget was regularly monitored; and reserves were appropriate.

Audit findings

The council set a precept of £452,896 for 2024/25 on the 8th of January 2024 minute ref 13461. I confirmed receipt to the council records.

The Clerk confirmed that the 2025/26 budget setting process is underway with deadlines set & achievable.

The finance officer presents the budget performance information to the clerk monthly. Financial regulation 4.8 requires this information to be presented to council at least quarterly, where detailed scrutiny of performance against budget is carried out. This provides councillors with sufficient financial information to make informed decisions. I noted the background papers to council include the detailed income and expenditure against budget papers.

At the date of the interim internal audit, the council held circa £665,927 in earmarked reserves, spread across a range of clearly identifiable projects. I checked the purpose of the earmarked reserves with the Clerk who confirmed that all the projects are still on the council's agenda for delivery.

The council also holds circa £489k in the general reserve at the time of the internal audit.

The Joint Panel on Accountability and Governance (JPAG) Practitioner's guide states '*the generally accepted recommendation with regard to the appropriate minimum level of a smaller authority's general reserve is that this should be maintained at between three and twelve months of net revenue expenditure*' (para 5.33).

The general reserve balance is within range.

E. INCOME

Internal audit requirement

Expected income was fully received, based on correct prices, properly recorded and promptly banked; and VAT was appropriately accounted for.

Audit findings

Apart from the precept, the council receives other income from hire, allotments, interest and grants. Fees and charges were reviewed on the 20th May 2024, minute ref 13568.

From a review of the accounting records, income appears to be recorded with sufficient narrative detail to identify the source and allocated to the most appropriate nominal code.

There is no evidence of netting off of income and expenditure.

VAT needs to be charged on the litter picking cross charge.

F. PETTY CASH

Internal audit requirement

Petty cash payments were properly supported by receipts, all petty cash expenditure was approved, and VAT appropriately accounted for.

Audit findings

The council has a small float of c. £200 in petty cash. This is used for small incidentals. I reviewed the cash in the tin, this could be reconciled to the cash and Cashbook.

G. PAYROLL**Internal audit requirement**

Salaries to employees and allowances to members were paid in accordance with this authority's approvals, and PAYE and NI requirements were properly applied.

Audit findings

The council uses an external firm to prepare the payroll. Payroll software is used. The council is up to date with its HMRC liabilities and pension declarations. I reviewed the payslips for August 2024 and the payroll deductions are correct.

The council has correctly disclaimed the employment allowance.

I selected the new starter to verify the payroll to the contract and council approval. I was able to verify to contract,

H. ASSETS AND INVESTMENTS**Internal audit requirement**

Asset and investments registers were complete and accurate and properly maintained.

Audit findings

The council has a simple fixed asset register in place, broken down into sections containing land and buildings, street furniture, equipment, etc. The register only shows purchase or proxy cost. The register is reconcilable to the AGAR. New additions are clearly identified. I discussed this with the finance officer and mentioned that it may be an idea to add insurance value and replacement value so that it can be reconciled to insurance schedules and earmarked reserves.

The council has PWLB borrowing the £2,786.60 payment in June was agreed to third party evidence.

I. BANK AND CASH**Internal audit requirement**

Periodic and year-end bank account reconciliations were properly carried out.

Audit findings

Financial regulation 2.2 states 'On a regular basis, at least once in each quarter, and at each financial year end, a member other than the Chairman shall be appointed to verify bank reconciliations (for all accounts) produced by the RFO. The member 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 or Finance & Policy Committee.'

Bank reconciliations are completed monthly and presented to council at every meeting for review. I reviewed the reconciliations presented for the interim audit and was able to confirm the balances to the bank statements and found no errors.

I noted that the reconciliation and bank statement have been signed in accordance with the Financial Regulations.

J. YEAR END ACCOUNTS

Internal audit requirement

Accounting statements prepared during the year were prepared on the correct accounting basis (receipts and payments or income and expenditure), agreed to the cash book, supported by an adequate audit trail from underlying records and where appropriate debtors and creditors were properly recorded.

Audit findings

The council, at its meeting to sign off the year-end accounts, must discuss Section 1 of the AGAR (Annual Governance Statement) and record this activity in the minutes of the meeting. **COUNCIL IS REMINDED THAT THIS MUST BE A SEPARATE AGENDA ITEM PRIOR TO THE SIGNING OF SECTION 2 OF THE AGAR (ANNUAL ACCOUNTS).**

Section 1 – Annual Governance Statement

Based on the internal audit finding I recommend using the table below as the basis for that discussion.

	Annual Governance Statement	'Yes', means that this authority	Suggested response based on evidence
1	We have put in place arrangements for effective financial management during the year, and for the preparation of the accounting statements.	<i>prepared its accounting statements in accordance with the Accounts and Audit Regulations.</i>	YES – accounts follow latest Accounts and Audit Regulations and practitioners guide recommendations.
2	We maintained an adequate system of internal control including measures designed to prevent and detect fraud and corruption and reviewed its effectiveness.	<i>made proper arrangements and accepted responsibility for safeguarding the public money and resources in its charge.</i>	YES – there is regular reporting of financial transactions and accounting summaries, offering the opportunity for scrutiny.
3	We took all reasonable steps to assure ourselves that there are no matters of actual or potential non-compliance with laws, regulations and Proper Practices that could have a significant financial effect on the ability of this authority to conduct its business or manage its finances.	<i>has only done what it has the legal power to do and has complied with Proper Practices in doing so.</i>	YES – the Clerk advises the council in respect of its legal powers.
4	We provided proper opportunity during the year for the exercise of electors' rights in accordance with the requirements of the Accounts and Audit Regulations.	<i>during the year gave all persons interested the opportunity to inspect and ask questions about this authority's accounts.</i>	YES – the requirements and timescales for 2023/24 year-end were met
5	We carried out an assessment of the risks facing this authority and took appropriate steps to manage those risks, including the introduction of internal controls and/or external insurance cover where required.	<i>considered and documented the financial and other risks it faces and dealt with them properly.</i>	YES – the council has a risk management scheme and appropriate external insurance.
6	We maintained throughout the year an adequate and effective system of internal audit of the accounting records and control systems.	<i>arranged for a competent person, independent of the financial controls and procedures, to give an objective view on whether internal controls meet the needs of this smaller authority.</i>	YES – the council has appointed an independent and competent internal auditor.
7	We took appropriate action on all matters raised in reports from internal and external audit.	<i>responded to matters brought to its attention by internal and external audit.</i>	YES – matters raised in internal and external audit reports have been addressed.
8	We considered whether any litigation, liabilities or commitments, events or transactions, occurring either during or after the year-end, have a financial impact on this	<i>disclosed everything it should have about its business activity during the year including events taking place after the year end if relevant.</i>	YES – no matters were raised during the internal audit visits.

	authority and. Where appropriate, have included them in the accounting statements.		
9	Trust funds including charitable – In our capacity as the sole managing trustee we discharged our accountability responsibilities for the fund(s)/asset(s), including financial reporting and, if required, independent examination or audit.	<i>has met all its responsibilities where, as a body corporate, it is a sole managing trustee of a local trust or trusts.</i>	N/A – the council has no obligations

Section 2 – Accounting Statements

AGAR box number		2022/23	2023/24	Internal Auditor notes
1	Balances brought forward	1,006,954	1,036,549	Agrees to 2022/23 carry forward (box 7)
2	Precept or rates and levies	367,485	365,846	Figure confirmed to central precept record
3	Total other receipts	45,883	147,015	Agrees to underlying accounting records
4	Staff costs	121,465	122,930	Agrees to underlying accounting records. Includes only expenditure allowed as staff costs (see section G)
5	Loan interest/capital repayments	5,573	5,573	Confirmed to PWLB documents
6	All other payments	256,735	482,182	Agrees to underlying accounting records
7	Balances carried forward	1,036,549	938,725	Casts correctly and agrees to balance sheet

8	Total value of cash and short-term investments	1,070,009	955,706 956,465	Agrees to bank reconciliation for all accounts – external auditor adjustment for uncollected DD
9	Total fixed assets plus long-term investments and assets	1,033,789	1,159,856	Matches asset register total and changes from previous year have been traced
10	Total borrowings	12,830	7,911	Confirmed to PWLB documents

For Local Councils Only		Yes	No	N/A	
11a	Disclosure note re Trust Funds (including charitable)		✓		<i>The Council, as a body corporate, acts as sole trustee and is responsible for managing Trust funds or assets.</i>
11b	Disclosure note re Trust Funds (including charitable)			✓	<i>The figures in the accounting statements above do not include any Trust transactions.</i>

Audit findings

The year-end accounts have been correctly prepared on an income and expenditure basis with a box 7 and 8 reconciliation properly completed. I have verified the box 7 & 8 items to underlying evidence and schedules. There were no errors.

The AGAR correctly casts and cross casts and last year's comparatives match the figures submitted for 2022/23 and published on the council website.

The variance analysis has been properly completed in detail with numerical values and sufficient description to enable the reader to understand the changes from year to year.

K. LIMITED ASSURANCE REVIEW

Internal audit requirement

IF the authority certified itself as exempt from a limited assurance review in 2023/24, it met the exemption criteria and correctly declared itself exempt. (If the authority had a limited assurance review of its 2023/24 AGAR tick “not covered”)

Audit findings

The council did not certify itself exempt in 2023/24 due to exceeding the income and expenditure limits and this test does not apply.

L: PUBLICATION OF INFORMATION

Internal audit requirement

The authority published the required information on a website/webpage up to date at the time of the internal audit in accordance with the relevant legislation

Audit findings

At present no specific guidance has been provided to set out what the ‘relevant legislation’ is in respect of Control Objective L. We have therefore considered the requirements of Statutory Instruments 2015/480 The Local Government (Transparency Requirements) Regulations 2015 [<https://www.legislation.gov.uk/uksi/2015/480/made/data.pdf>] and, 2015/494 The Smaller Authorities (Transparency Requirements). https://www.legislation.gov.uk/uksi/2015/494/pdfs/uksiem_20150494_en.pdf

In addition to this, we have considered the additional publication requirements as set out in the ICO Model Publication Scheme for Parish Councils. <https://ico.org.uk/media/for-organisations/documents/1153/model-publication-scheme.pdf> & https://ico.org.uk/media/for-organisations/documents/1266/parish_council_information_guide.doc

All councils are required to follow The Accounts and Audit Regulations which include the following requirements:

13(1) An authority must publish (which must include publication on that authority’s website)

- (a) the Statement of Accounts together with any certificate or opinion entered by the local auditor in accordance with section 20(2) of the Act; and
- (b) the Annual Governance Statement approved in accordance with regulation 6(3)

13(2) Where documents are published under paragraph (1), the authority must

- (a) keep copies of those documents for purchase by any person on payment of a reasonable sum; and
- (b) ensure that those documents remain available for public access for a period of not less than five years beginning with the date on which those documents were first published in accordance with that paragraph.

The council does have income and expenditure in excess of £200,000 and as such is required to follow the “Local Government Transparency Code 2015” which is recommended practice not a statutory requirement. The Code requires local authorities in England to publish the following information quarterly:

Expenditure exceeding £500	On the web site
Government Procurement Card transactions	On the web site
Procurement information	On the web site

Additionally, local authorities are required to publish the following information annually:

Local Authority Land	On the web site
Social Housing Assets	On the web site
Grants to voluntary, community and social enterprise organisations	On the web site
Organisational Chart	On the web site
Trade union facility time	On the web site
Parking account	On the web site
Parking spaces	On the web site
Senior salaries	On the web site
Constitution	On the web site

Pay multiple	On the web site
Fraud	On the web site

The council has a model publication scheme which is on the web site.

I was able to confirm that pages 4 (Annual Governance Statement), 5 (Accounting Statements) and 6 (External Auditor's Report and Certificate) of the AGAR are available for review on the council website for financial years 2019/20 to 2023/24 inclusive

M: EXERCISE OF PUBLIC RIGHTS - INSPECTION OF ACCOUNTS

Internal audit requirement

The authority has demonstrated that during summer 2024 it correctly provided for the exercise of public rights as required by the Accounts and Audit Regulations.

Audit findings

Inspection – key dates	2023/24 Actual
Date AGAR signed by council	29 th April
Date inspection notice issued	30 th April
Inspection period begins	3 rd June 2024
Inspection period ends	12th July 2024
Correct length (30 working days)	Yes
Common period included (first 10 working days of July)	Yes

I am satisfied the requirements of this control objective were met for 2023/24, and assertion 4 on the Annual Governance Statement can therefore be signed off by the council.

N: PUBLICATION REQUIREMENTS

Internal audit requirement

The authority has complied with the publication requirements for 2023/24. Under the Accounts and Audit Regulations 2015, authorities must publish the following information on the authority website / webpage.

Before 1 July 2024 authorities must publish:

- 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 2023/24, approved and signed, page 4
- Section 2 - Accounting Statements 2023/24, approved and signed, page 5

Not later than 30 September 2024 authorities must publish:

- Notice of conclusion of audit
- Section 3 - External Auditor Report and Certificate
- Sections 1 and 2 of AGAR including any amendments as a result of the limited assurance review.

It is recommended as best practice, to avoid any potential confusion by local electors and interested parties, that you also publish the Annual Internal Audit Report, page 3.

Audit findings

I was able to confirm that the Notice of Public Rights is published on the council website along with the Notice of Conclusion of audit and External Auditor Report and I was able to confirm that the publication requirements for 2023/24 have been met.

O. TRUSTEESHIP

Internal audit requirement

Trust funds (including charitable) – The council met its responsibilities as a trustee.

Audit findings

The council has no trusts.

Achievement of control assertions at interim audit date

Based on the tests conducted during the interim audit, our conclusions on the achievement of the internal control objectives are summarised in the table below. A further review and update of this opinion will be conducted at the final audit.

	INTERNAL CONTROL OBJECTIVE	YES	NO	NOT COVERED
A	Appropriate accounting records have been properly kept throughout the financial year	✓		
B	This authority complied with its financial regulations, payments were supported by invoices, all expenditure was approved, and VAT was appropriately accounted for	✓		
C	This authority assesses the significant risks to achieving its objectives and reviewed the adequacy of arrangements to manage these	✓		
D	The precept or rates requirement resulted from an adequate budgetary process; progress against the budget was regularly monitored; and reserves were appropriate.	✓		
E	Expected income was fully received, based on correct prices, properly recorded and promptly banked; and VAT was appropriately accounted for	✓		
F	Petty cash payments were properly supported by receipts, all petty cash expenditure was approved, and VAT appropriately accounted for	✓		
G	Salaries to employees and allowances to members were paid in accordance with this authority's approvals, and PAYE and NI requirements were properly applied.	✓		
H	Asset and investments registers were complete and accurate and properly maintained.	✓		
I	Periodic bank account reconciliations were properly carried out during the year.	✓		
J	Accounting statements prepared during the year were prepared on the correct accounting basis (receipts and payments or income and expenditure), agreed to the cash book, supported by an adequate audit trail from underlying records and where appropriate debtors and creditors were properly recorded.	✓		
K	If the authority certified itself as exempt from a limited assurance review in 2022/23, it met the exemption criteria and correctly declared itself exempt. <i>(If the authority had a limited assurance review of its 2022/23 AGAR tick "not covered")</i>			✓ N/A
L	The authority published the required information on a website/webpage up to date at the time of the internal audit in accordance with the relevant legislation	✓		
M	The authority, during the previous year (2022-23) correctly provided for the period for the exercise of public rights as required by the Accounts and Audit Regulations <i>(evidenced by the notice published on the website and/or authority approved minutes confirming the dates set)</i> .	✓		
N	The authority has complied with the publication requirements for 2022/23 AGAR.	✓		
O	Trust funds (including charitable) – The council met its responsibilities as a trustee.			✓ N/A

Should you have any queries please do not hesitate to contact me.

Yours sincerely



Mark Mulberry

Mulberry Local Authority Services Ltd

Year End 2023/24 Audit - Points Carried Forward

Audit Point	Audit Findings	Council comments
Section L Publication	I recommend the council review the ICO model publication scheme as the website version is dated 2012.	completed

Interim Audit 2024/25 - Points Carried Forward

Audit Point	Audit Findings	Council comments
VAT	VAT needs to be charged on the litter picking cross charge.	