

Internal Audit Report for Norton Parish Council for the period ending 31 March 2026

Clerk	Jillian Rowland
RFO (if different)	-
Chairperson	Susan Hill
Precept	£55,000.00
Income	£99,666.31
Expenditure	£147,642.83
General reserves	£20,817.26
Earmarked reserves	£27,000.00
Audit type	Annual Non-exempt authority
Auditor name	Kim Puttock

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		<i>Internal auditor commentary</i>
Have Standing Orders been adopted, up to date and reviewed annually?	Yes	Council's Standing Orders are based on the latest model published by the National Association of Local Councils (NALC), April 2025 and are tailored to the council. Council approved its Standing Orders at a meeting of full council held on 6 October 2025 (min ref: 14.1). <i>COMMENT: Council might wish to note that in the current NALC Model Standing Order (England) section 18 has been updated to comply with new procurement legislation and ensure consistency with the Model Financial Regulations. The changes are to 18.a.v, 18.c, 18.d, and 18.f.</i>
Are Financial Regulations up to date and reviewed annually?	No	Council's Financial Regulations were reviewed at a full council meeting of 1 September 2025 (min ref: 15). Those seen on the website however are dated 3 February 2025 and April 2026 and contain out of date provisions. RECOMMENDATION: Council should seek to adopt the latest model published by NALC, Model Financial Regulations March 2025 with provisions included as outlined under NALC Advice Note – Procurement, 3 February 2026.
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 (financial administration), the Council has appointed a person (the Clerk) to be responsible for the administration of the financial affairs of the relevant authority. Council's Financial Regulation 1.8 confirms that the Clerk is so appointed.
Additional comments:		

¹ Section 151 Local Government Act 1972

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		
Evidence		Internal auditor commentary
Verify that budget has been properly prepared and agreed	No	There is no evidence that the council prepared and agreed the budget for 2025/26. At a full council meeting held on 2 December 2024 the clerk circulated a suggested precept for £50,000 to cover all the Council's commitments and in particular the loan repayment. This was to be discussed further at the January meeting when the Precept needed to be formally approved for submission to Mid Suffolk. At the full council meeting on 6 January 2025 (min ref: 10.1) the clerk presented a proposed precept of £50,000 but felt that £55,000 would give the Council a buffer to ensure all commitments were met. On a vote the proposal for £55,000 was carried with one objection. On reviewing the minutes there is no evidence that the budget was discussed or approved. Budget papers were however viewed on the website for 2025/26. RECOMMENDATION: Evidence should be documented detailing that the Parish Council reviewed and considered the budget in detail ensuring the appropriate setting of the precept. The lack of evidence during the period under review has resulted in the Annual Internal Audit Report Control Objective D <i>'The Precept or rates requirement resulted from an adequate budgetary process; progress against the budget was regularly monitored; and reserves were appropriate.'</i> being given a 'NO' response.

<i>Verify that the precept amount has been agreed in full Council and clearly minuted</i>	Yes	The precept for the year 2025/26 was discussed and approved by full council at the meeting on 6 January 2025 (min ref: 10.1) and set at £55,000. <i>COMMENT: in accordance with best practice, council might wish to record in the minutes the precept being set and the impact that this would have on a Band D Dwelling in monetary as well as percentage terms.</i>
<i>Regular reporting of expenditure and variances from budget</i>	Yes	The minutes evidence that Council carried out its regular review covering the budget for the current year with a review of income and expenditure against budget along with forecasts for the remainder of the year.
<i>Reserves held – general and earmarked²</i>	Yes	The Council, as at year-end, had Earmarked Reserves totalling £27,000 with the balance being General Reserves of £20,817.26 with overall reserves standing at £47,817.26 Council's adopted Reserve Policy provides clarity on the reasoning behind the holding of reserves and the allocation of its reserves held regarding the setting of the budget for the next financial year. The adopted policy shows an intended level of General Reserves to be maintained to ensure that the council achieves the recommended levels. The policy confirms that even at times when extreme pressure is put on the council's finances the council must keep a minimum balance sufficient to pay one month's worth of contractual obligations to staff and contractors in general reserves at all times.
<i>Additional comments:</i>		

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

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		<i>Internal auditor commentary</i>
<i>Is the ledger maintained and up to date?</i>	Yes	The council uses an excel spreadsheet to produce reports on a Receipts and Payments basis and ensures that the financial transactions of the parish council are as accurate as reasonably practicable. All transactions are well referenced and provide an effective tool for the basis of the council's internal controls. It provides data for analysis allowing the RFO to produce clear financial management reports. RECOMMENDATION: given the level of council's finances, consideration should be given to the use of an accounting package which produces a suite of tools to allow for reporting on either a Receipts and Payments basis or an Income and Expenditure basis. This would allow the automation of the council's transactions involving income and expenditure, as well as with the production of reports and financial statements.
<i>Is the ledger on the correct basis in relation to the gross income/expenditure?</i> (under Proper Practices, Councils are required to work on an Income & Expenditure basis when their gross income, or gross expenditure, exceeds £200,000 for 3 consecutive years)	Yes	Council's gross income and expenditure level is below the threshold of £200,000 and has been for three continuous years. Council's operating under this limit may choose either to report on an income and expenditure basis or on a receipts and payments basis. Council has elected to report its financial matters on a receipts and payments basis/income and expenditure basis.
<i>Is the cash book up to date and regularly verified?</i>	Yes	The cashbook is reconciled on a regular basis.
<i>Is the arithmetic correct?</i>	Yes	A number of spot checks were carried out and the functionality of the cashbook was found to be in order.

		<i>COMMENT: The RFO has shown best practise by ensuring, for further transparency and scrutiny, that all payments and receipts are referenced with a description as to the expenditure and income being incurred to ensure the integrity of data being input and processed.</i>
<i>Additional comments: A refund of £137.44 from Clear Council Insurance has been entered as a receipt which is incorrect. The refund should be entered as a negative payment to reverse the expense that was refunded and to reduce expenditure. Entering the refund as a receipt results in overstated income and expenditure.</i>		

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 payment authorisation slips, cash book, bank statement and invoices and all were found to be recorded/ authorised in accordance with Proper Practices. A further spot check of items paid via the system from the Council's Accounts was also 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. A financial statement is submitted with the agenda schedules detailing the payments to be made. For the year under review, there were no tenders or contracts over £30,000 including VAT, for which the council needed to comply with the requirements of the Procurement Legislation regarding the publication of invitations and notices. Nor were there any contracts estimated to exceed £60,000 including VAT, for which the Clerk needed to advertise an open invitation for tenders in compliance with any relevant provisions of the Legislation. <i>COMMENT: The Parish Council shows good practice by ensuring that retrospective payments incurred for the month are submitted to and approved by full council in accordance with Council's Own Standing Orders and Financial Regulations.</i>

Where applicable, are internet banking transactions properly recorded and approved?	Yes	Internet banking is operated in addition to cheque payments. There is clear evidence of good practice – payments are checked by two councillors against invoices and cheques are signed by two members following authorisation by council. RECOMMENDATION: Council should consider when updating the Financial Regulations to include provision to make payments by bank transfer.
Is VAT correctly identified, recorded, and claimed within time limits?	Yes	VAT is identified in the cash book with the reclaim for the period covering the December 2024 up to and including 31 August 2025 in the sum of £12,061.58 being verified in the cashbook and bank statements. The year-end balance stands at £6,290.42 which is still to be claimed.
Has the Council adopted the General Power of Competence (GPOC) and is there evidence this is being applied correctly? ³	No	Council has not adopted the General Power of Competence.
Are payments under s.137 ⁴ separately recorded, minuted and is there evidence of direct benefit to electorate?	Yes	Payments identified as being made under this power for the year under review totalled £1,050 and were separately recorded and were of a direct benefit of the electorate.
Where applicable, are payments of interest and principal sums in respect of loans paid in accordance with agreements?	Yes	The council has two Public Works Board Loans: PW648041: The balance outstanding as at 31 March 2026 was £98,984.54. Repayments for the period ending 31 March 2026 totalled £5,934.26 in accordance with the instalment repayment schedule as issued. The loan is a fixed annuity loan, and the repayment method is via half yearly payments of £2,967.13 with repayments due the nearest working day to 10th February and 12 August each year. PW648041: The balance outstanding as at 31 March 2026 was £396,379.21. Repayments for the period ending 31 March 2026 totalled £22,461.56 in accordance with the instalment repayment schedule as issued. The loan is a fixed annuity loan, and the repayment method is via

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.

		half yearly payments of £11,230.78 with repayments due the nearest working day to 9th January and 9th July each year.
<i>Additional comments:</i>		

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
<i>Is income properly recorded and promptly banked?</i>	Yes	Income is recorded in accordance with Council's Financial Regulations. A number of items of income were cross checked against cash book and bank statement and found to be in order and recorded in accordance with Proper Practices. In accordance with proper practices, the RFO has ensured that the accounting records contain all day-to-day entries of all sums of money received.
<i>Is income reported to full council?</i>	Yes	Income received is reported to full council within the financial reports submitted to full council in accordance with council's financial regulations.
<i>Does the precept recorded agree to the Council Tax Authority's notification?</i>	Yes	Council received precept in the sum of £55,000 from Mid Suffolk District Council for the period under review as reported to full council within its Financial Reports at its meetings in May 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 receipt of same in the Council's Bank Account.
<i>If appropriate, are CIL reporting schedules in accordance with the Regulations?⁵</i>	Yes	During the year under review, Council received CIL receipts totalling £25,290.68. The RFO has created an Earmarked Reserve for retained CIL balances.
<i>Is CIL income reported to the council?</i>	Yes	The RFO provided the Council with details of the CIL payments received within financial reports submitted to full council at the meeting on 12 May 2025 (min ref: 10.4) and 3 November 2025 (min ref: 8.2) along with timescales by which the monies should be expended.
<i>Does unspent CIL income form part of earmarked reserves?</i>	Partially met	The draft CIL annual report for 2025/2026 shows that there is a retained balance of £14,199.12. RECOMMENDATION: CIL should be specifically allocated, in accordance with the Regulations to an Earmarked Reserve(s). For

⁵ Community Infrastructure Levy Regulations 2010

		2025/26 the CIL Earmarked Reserve figure is showing in the 2026/27 budget as an amount of £10,500. The Earmarked Reserve figure should correspond with the amount of retained CIL i.e. £14,199.12. Council are advised to review the CIL Earmarked Reserves.
<i>Has an annual report been produced?</i>	Yes	The council has complied with its duty to produce annual reports that detail the amount of CIL funds received and spent and has demonstrated it understands the requirements to comply with its duty to produce and publish the annual report.
<i>Has it been published on the authority's website?</i>	Yes	The annual report for the year ending 2026 showing income received and retained balances was verified by the internal auditor and the council understands that it should comply with its duty to upload the annual report onto its 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
<i>Is petty cash in operation?</i>	<i>No</i>	Council does not operate a petty cash system.
<i>If appropriate, is there an adequate control system in place?</i>	<i>N/A</i>	
Additional comments:		

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
<i>Is bank reconciliation regularly completed and reconciled with the cash book and cover every account?</i>	Yes	A number of samples were tested. There is evidence of good financial practice, and the Council has implemented a system whereby bank reconciliation is correctly verified by the Council. This not only safeguards the Responsible Financial Officer but also fulfils an internal control objective.
<i>Do bank balances agree with bank statements?</i>	Yes	Bank balances agree with period end statements and, as at year end (31 st March 2026) the balance across the council's accounts stood at £47,817.26 as recorded in the Draft Statement of Accounts and on the Year-end Bank Reconciliation.
<i>Is there regular reporting of bank balances at Council meetings?</i>	Yes	Balances across the Council's accounts are reported at meetings of full Council. The minutes of Full Council meetings, demonstrate that a review 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. The bank reconciliation is a key tool for management as it assists with the regular monitoring of cash flows and therefore aids decision-making.

Section 8 – Payroll controls		
The Internal Auditor will check salaries were approved in accordance with PAYE, NI, Pension and that there is a clear understanding that the clerk is not self-employed. The Internal Auditor will also review how payroll is managed including evidence of approval of payslips.		
Evidence		Internal auditor commentary
<i>Do all employees have contracts of employment?</i>	Yes	Council had 2 employees on its payroll at the period end of March 2026. Employment contracts were not reviewed during the internal audit but the Clerk to the Council has confirmed that all staff have a Contract of Employment in place.
<i>Has the Council approved salary paid?</i>	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.
<i>Are all employees paid at least the minimum wage?</i>	No	The NMW for the year ending 31 March 2026 was £12.21ph. Following a review of the payslips, the internal auditor identified that one member of staff has been paid above the national minimum wage for the year ending 31 March 2026, however the other member of staff appears to have been paid below NMW for the period April 2025 up to and including January 2026, with the hourly rate increasing from February 2026 to above the NMW rate for the 2025/26 financial year. RECOMMENDATION: Council should review all employee remuneration to ensure they are paying above the NMW. The rate for 2026/27 is currently £12.71 for anyone aged 21 and over.
<i>Are arrangements in place for authorising of the payroll and payments to the council? Does this include a verification process for agreeing rates of pay to be applied?</i>	Yes	There are suitable payroll arrangements in place utilising the HMRC Basic Software which ensures the accuracy and legitimacy of payments of salaries and wages, and associated liabilities and as such the council has complied with its duties under legislation.
<i>Do salary payments include deductions for PAYE/NIC? Is PAYE/NIC paid promptly to HMRC?</i>	Yes	The payroll function for the year under review is operated in accordance with HM Revenue and Customs guidelines. Cross-checks were completed on three payments covering salary and PAYE were found to be in order. Deductions paid to HM Revenue and Customs during the year under review were made in accordance with timescales as set out in the regulations.

<i>Is there evidence that the Council is aware of its pension responsibilities? Are pension payments in operation?⁶</i>	Yes	Council is aware of its pension responsibilities. One member of staff is not enrolled into the pension scheme provided by the employer. The other member of staff earns below the Lower Earnings Threshold and are therefore not eligible for automatic enrolment into the Council Pension Scheme; while they may choose to join the scheme, the Council is not required to make employer contributions.
<i>Have pension re-declaration duties been carried out</i>	Yes	From paperwork seen, the council completed its re-declaration of compliance with The Pensions Regulator on both 3 July 2023 (min ref: 9.7) and 5 February 2024 (min ref: 9.5). <i>COMMENT: If the Council last carried out its re-enrolment duties in 2024, it will be aware that every three years further re-enrolment duties will apply. Council should ensure that it comply with any deadlines for 2027 as stated in communications from the Pension Regulator.</i>
<i>Are there any other payments (e.g.: expenses) and are these reasonable and approved by the Council?</i>	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:		

⁶ The Pension Regulator – [website click here](#)

Section 9 – Year End procedures		
Evidence		Internal auditor commentary
Are appropriate accounting procedures used?	Yes	Accounts are produced on a receipts and payments or income and expenditure basis and all found to be in good order.
Financial trail from records to presented accounts	Yes	The end of year accounts and supporting documentation were well presented for the internal auditor review. There is a full audit trail from records to presented accounts.
Has the appropriate end of year AGAR ⁷ documents been completed?	Yes	The Council is a smaller authority with gross income and expenditure exceeding £25,000, it will be required to complete the Annual Governance and Accountability Return (AGAR) Form 3.
Did the Council meet the exemption criteria and correctly declared itself exempt?	N/A	As the Parish Council had gross income and expenditure exceeding £25,000 it was not able to declare itself exempt from a limited assurance review.
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	During the review of the publication requirements of the Accounts and Audit Regulations 2015, it is noted that, for the year 2025- 2026, the Council correctly provided for the exercise of elector's rights during Summer 2025. The RFO had set the dates for the inspection of the Council's accounts and associated documents as 3 June 2025 to 14 July 2025 with the date of the notice being 7 May 2025. <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 of elector's rights 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</i>

⁷ Annual Governance & Accountability Return (AGAR)

		<i>address of the external auditor and the provisions as contained under section 25 and section 27 of the Act.</i>
<i>Have the publication requirements been met in accordance with the Regulations?⁸</i>	Yes	In accordance with the Accounts and Audit Regulations 2015, as a smaller authority with either income or expenditure exceeding £25,000 but not exceeding £6.5 million, it is confirmed that the Council did comply with the requirements of the Accounts and Audit Regulations 2015 for the year ending 31st March 2025 as it published the following on its website: • Annual Internal Audit • Section 1 - Annual Governance Statement • Section 2 - Accounting Statements • Section 3 - The External Auditor Report and Certificate • Notice of the period for the exercise of public rights and other information required by Regulation 15(2) Accounts and Audit Regulations 2015. <i>Comment: Council might wish to note that there is a requirement to ensure that Sections 1, 2 and 3 are published and remain available for public access for a period of not less than 5 years from the date of publication.</i>
Additional comments:		

⁸ Accounts and Audit Regulations 2015

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
<i>Is there evidence of risk assessment documentation?</i>	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 full council at its meeting on 2 February 2026 (min ref: 9.1).
<i>Is there evidence that risks are being identified and managed?</i>	Yes	Council is aware that the risk assessment needs to focus on the safety of the parish council's assets, and particularly 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 avoid financial or reputational consequences. <i>COMMENT: Council has in place monitoring documents which identify the risks involved 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.</i>
<i>Does the Council have appropriate and adequate insurance cover in place for employment, public liability and fidelity guarantee and has been reviewed on an annual basis?</i>	Yes	Council has insurance in place under a specialist policy for local councils with Clear Councils Insurance which shows core cover for the following: • Public/Products Liability: £10,000,000 • Employers' Liability: £10,000,000 and • Fidelity Guarantee of £250,000 The Council's insurance cover was renewed at their meeting on 12 May 2025 and there is a minute to show the cover was reviewed and considered appropriate.

		RECOMMENDATION: Council should seek to review the level of Fidelity Guarantee as the sum currently held, £250,000, is not in accordance with recommended guidance which states that a council's Fidelity Cover should be 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. <i>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).</i>
<i>Evidence that internal controls are documented and regularly reviewed⁹</i>	Yes	At the meeting of full council on 1 December 2025 (min ref: 8.6), Council, in accordance with Regulation 6 of the Accounts and Audit Regulations 2015, confirmed that 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.
<i>Evidence that a review of the effectiveness of internal audit was conducted during the year, including consideration of the independence and competence of the internal auditor prior to their appointment¹⁰</i>	No	There has been no formal review by the council during the year under review as to the effectiveness of the internal audit. RECOMMENDATION: In accordance with the Accounts and Audit Regulation 2015, the parish council 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.
Additional comments:		

⁹ Accounts and Audit Regulations

¹⁰ Practitioners Guide

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
<i>Does the Council maintain a register of material assets it owns and manage this in accordance with proper practices?¹¹</i>	Yes	The Asset Register, as viewed on the Council's website, and as approved at the meeting on 7 April 2025 (min ref: 9.9), was reviewed during the year and reflects those items listed under insurance and within the Parish Council's remit for maintenance and ownership.
<i>Is the value of the assets included? (Note value for insurance purposes may differ)</i>	Yes	It is noted that the declared value for all assets at year-end (31.03.2026) is £186,453.28 which reflects overall movement in the asset register covering acquisitions and disposals. For comparison, the declared value of the asset register as at 31.03.2025 was £185,341.62. <i>Comment: Council is mindful of the guidance within the Practitioner's Guide 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.</i>
<i>Are records of deeds, articles, land registry title number available?</i>	N/A	Records of deeds, articles, land registry title number were not reviewed during the internal audit which was carried out via remote means.
<i>Are copies of licences or leases available for assets sited at third party property?</i>	N/A	Council has not declared that it has any assets located on third party property.
<i>Is the asset register up to date and reviewed annually?</i>	Yes	The asset register was reviewed in the year under review with the values submitted on the Draft Annual Governance and Accountability Return (AGAR) for the internal audit review and shows an asset value of £186,453 which agrees with that detailed in the Asset Register.
<i>Cross checking of insurance cover</i>	Yes	Council has insurance under all risks cover for its assets as specified under the headings on the insurance schedule.
Additional comments:		

¹¹ Practitioners Guide

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	The Council is correctly registered with the Information Commissioner's Office (ICO) as a Data Controller in accordance with the Data Protection Legislation.
Is there an adopted council publication scheme and is it reviewed regularly?	Partially met	It is noted that Council last reviewed its Model Publication Scheme detailing the type of information the Council holds and how it will make it available to the public at the full council meeting on 6 October 2025 (min ref: 14.2). RECOMMENDATION: Council should ensure the published publication scheme is fully tailored to the council ensuring that it provides details within the classes of information and that the amended scheme is available to view on the council's website.
Is the Council compliant with the General Data Protection Regulation requirements?¹³ Councils must: • 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	Yes	Council has taken active steps to ensure compliance with the GDPR requirements, evidenced below and has adopted a number of GDPR Policies during the year that provides clear responsibilities and obligations of the Council in respect of the collecting, using and protecting of personal information in accordance with the provisions of the GDPR. The following are in place and were reviewed and adopted as outlined below: • Privacy notice – 2 February 2026 (min ref: 9.1) • Procedures for dealing with subject access requests – 7 April 2025 (min ref: 10.1) • Procedures for dealing with freedom of information requests – 6 October 2025 (min ref: 14.2) • Data Protection Policy – 2 February 2026 (min ref: 9.1) • Document and Data Retention Policy – 2 February 2026 (min ref: 9.1)

¹² Data Protection Act 2018

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

		<i>COMMENT: The Privacy Policy on the Parish Council's website 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.</i> RECOMMENDATION: Council should look to adopt a procedure for dealing with data breaches.
<i>Has the Transparency Code been correctly applied, and information published in accordance with current legislation?</i>	No	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. RECOMMENDATION: Council should review its provisions 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.

<i>Has the Council published a website accessibility statement on their website in line with Regulations?¹⁴</i>	Yes	Council reviewed and adopted a website accessibility statement on 6 December 2024. WCAG2.2AA is the standard that provides guidelines / recommendations for making web content accessible to people with disabilities, covering blindness, low vision, hearing loss, cognitive limitations, and more, with a key focus on mobile accessibility, low-vision needs, and clearer focus indicators than its predecessors. Its main focus is ensuring that websites and apps are “perceivable, operable, understandable, and robust (POUR) for all users, including those with situational disabilities”. <i>COMMENT: Council is advised to review the current website accessibility statement for compliance with WCAG2.2AA and to update old information such as the clerk’s email address which is showing as nortonparishclerk@outlook.com</i>
<i>Has website accessibility been tested, at least annually?</i>	No	No review of website accessibility has been carried out during the last financial year. The last review was completed on 21 November 2024. <i>COMMENT: to ensure that the council website complies with the regulations, it is best practice to test for website accessibility at least annually.</i>
<i>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</i>	Yes	Council operates with a .gov.uk email address for the Clerk. Best practice is for all council (clerk, councillors, other staff) to have matching email: Cllr.bobsmith@abcparrishcouncil.gov.uk or cllr.bobsmith@abcparrishcouncil.org.uk If not, free email services are permitted currently, such as, cllrbobsmith@gmail.com but NOT personal email addresses e.g. bobsmith1968@yahoo.co.uk <i>COMMENT: Authority-owned email accounts ensures that sensitive information is handled in a controlled environment with appropriate security</i>

¹⁴ Website Accessibility Regulations 2018

¹⁵ Practitioners Guide

		<i>measures. This aligns with GDPR principles such as data minimisation, integrity and confidentiality.</i>
<i>Does the council have an IT policy that is tailored to the council? ¹⁶</i>	Yes	The council has adopted an IT policy that has been personalised for the specific use of the council. This policy was approved at the full council meeting on 1 September 2025 (min ref: 15) with further review being undertaken on 2 February 2026 (min ref: 9.1).
<i>Additional comments:</i>		

¹⁶ Practitioners Guide

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?	No	The Internal Audit Report for the period ending 31st March 2025 was not formally considered by full council. RECOMMENDATION: Council should formally consider and approve the Internal Audit report and for this to be minuted. Council should also consider authorising the Clerk to conduct the necessary actions in accordance with the recommendations and comments raised within the report. <i>COMMENT: It is evident from the meeting minutes that the Clerk produced an action plan (1 September 2025, min ref: 9.11)</i>
Has appropriate action been taken regarding the recommendations raised?	No	The formal recommendations raised within the internal audit report for the year ending 31st March 2025 were as follows: and those in bold are outstanding: • at the next review council should consider adopting the Financial Regulations produced by NALC in March of this year which relate to changes necessitated by the Procurement Act 2023 • council might wish to record within the register the Public Works Loan taken out by the council and the associated risks and mitigation measures that are in place to ensure the loan is serviced and payments made in accordance with the agreed schedules • Council should note guidance as issued within the Openness and Transparency on personal interests – a guide for Councillors – August 2012 - which recommends that where a parish council has their own website, its register of interests must be published on that website. A

		direct link from the council's website to the District's satisfies the guidance issued • Appendix A of the Local Government Transparency Code 2015 (published February 2015) provides further details of all information to be published along with relevant timescales. Council is advised to review the provisions of the code and seek compliance with the publication requirements. A link to the guide can be found at: Transparency Code 2015 • council should ensure the published publication scheme is fully tailored to the council ensuring that it provides details within the classes of information and that the amended scheme is available to view on the council's website • council should also note the new Assertion in the Annual Governance Statement (effective April 2025) which, to warrant a positive response, requires the council to have a generic email account hosted on an authority owned domain <i>COMMENT: in order to warrant a positive response to Assertion 7 of the Annual Governance Statement, council should seek to address the matters brought to its attention by internal (and external) audit.</i>
<i>Has the Council confirmed the appointment of an internal auditor?¹⁷</i>	Yes	SALC were appointed as the Council's internal auditors for the year ending 31 st March 2026 at the full council meeting on 2 February 2026 (min ref: 8.6).
<i>Has the letter of engagement been approved by full council?¹⁸</i>	No	The letter of engagement has not been approved by full council. RECOMMENDATION: Council needs to ensure that it has a clear understanding of the roles and responsibilities for internal audit, audit planning and timing of visits, reporting requirements; access to information; period of engagement and remuneration. By approving the letter of engagement, Council would 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,

¹⁷ Practitioners' Guide

¹⁸ Practitioners' Guide

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

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	At the meeting of full council on 6 October 2025 (min ref: 8.5), Council considered the report from the External Auditor for the year ending 31st March 2025. The Notice of Conclusion was not seen on the Council's website. RECOMMENDATION: Council should be aware that it is a legal requirement to display and publish the Notice of Conclusion of Audit once the external audit is complete.
Has appropriate action been taken regarding the comments raised?	Yes	The following matter had come to the external auditor's attention although it is noted that this has been addressed: Section 1, Assertion 5 has been incorrectly completed. Information received from the smaller authority highlights that risk management arrangements were not reviewed and approved by the authority as a whole during the year. As a result, this assertion should have been answered 'No'
Additional comments:		

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.

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		<i>Internal auditor commentary</i>
<i>Was the annual meeting held in accordance with legislation?</i> ²⁰	Yes	The Annual Meeting of the Parish Council was held on 12 May 2025 and the first item on the agenda was the election of a Chair.
<i>Is there evidence that Minutes are administered in accordance with legislation?</i> 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. At each meeting, the Chair is given formal approval to sign the minutes.
<i>Is there a list of members' interests held?</i>	Yes	Evidence of the Register of Interests for all current Parish Councillors was seen on the District Authority's website via a direct link from the Council's own website.
<i>Does the Council have any Trustee responsibilities and if so, are these clearly identified in a Trust Document?</i>	No	Council does not have any Trustee Responsibilities.
<i>Is there evidence that electronic files are backed up?</i>	N/A	It is not known if the council backs up electronic files and it is therefore assumed that the council uses a system whereby a back-up of the council's data is taken and stored appropriately.
<i>Do terms of reference exist for all committees and is there evidence these are regularly reviewed?</i>	N/A	Council does not operate a committee structure.
Additional comments:		

Signed: *Kim Puttock*

Date of Internal Audit review: 6 June 2026 and 12 June 2026
On behalf of Suffolk Association of Local Councils

Date of Internal Audit Report: 12 June 2026

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