

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

Clerk	Shazia Shujah
RFO (if different)	
Chairperson	Sandra Dwan
Precept	£254,900
Income	£350,885
Expenditure	£246,063
General reserves	£161,882
Earmarked reserves	£372,749
Audit type	Annual – non-exempt authority
Auditor name	Debbie Frost

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 fully tailored to the council. Council approved its Standing Orders at a meeting of council held 27 May 2025.
Are Financial Regulations up to date and reviewed annually?	Yes	Financial Regulations, as seen on the Council's website, are based on the latest model published by NALC, Model Financial Regulations March 2025 with provisions included as outlined under NALC Advice Note – Procurement, 3 February 2026 link to view the advice note . Council approved its Financial Regulations at a meeting of council held 27 May 2025.
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. This was reconfirmed by full Council at its meeting 27 May 2025.

¹ Section 151 Local Government Act 1972

Additional comments:

Section 2 – Budgetary controls		
The internal auditor will seek verification that budgets are properly prepared, agreed and monitored. In particular they will look for evidence of good practice in that the key stages of the budgetary process have been followed		
Evidence		Internal auditor commentary
<i>Verify that budget has been properly prepared and agreed</i>	Yes	The budget for the year 2025/2026 was approved at the Council meeting of 26 November 2024 although there is no clear confirmation within the minutes as to the final budget figure being set. However, the minutes provide details on the precept, implications for Band D Council Tax and reasoning for setting such a budget. <i>COMMENT: to ensure transparency in the budgetary process Council might wish to evidence, by recording within the minutes, the budget being set.</i>
<i>Verify that the precept amount has been agreed in full Council and clearly minuted</i>	Yes	The precept was set at £254,900 for 2025-2026, as confirmed at the above meeting, with the minutes confirming that this was a 9.54% increase over that set the previous year.
<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

<p><i>Reserves held – general and earmarked²</i></p>	<p>Yes</p>	<p>The Council, as at year-end, had Earmarked Reserves totalling £372,749 with the balance being General Reserves of £161,882 with overall reserves standing at £534,631.</p> <p><i>COMMENT: council is advised to note 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. 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>Council adopted a General Reserve Policy at their meeting of 27 May 2025 which provides clarity on the reasoning behind the holding of and intended level of general reserves to be maintained to ensure that the council achieves the recommended levels.</p>
<p>Additional comments: <i>in the main, Council has followed the recommended key stages as to the budgetary process for the year: decided the form and level of detail of the budget; reviewed the current year budget and spending; determined the cost of spending plans; assessed levels of income; brought together spending and income plans; provided for contingencies and considered the need for reserves; approved the budget; confirmed the precept or rates and special levies; and reviewed progress against the budget regularly throughout the year.</i></p>		

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 Rialtas account software to produce reports on an Income and Expenditure 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.
<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 operates on an Income and Expenditure accounting processes and understands that the accounting statements will include all of the transactions for the year where the council has received economic benefits or given other economic benefits irrespective of the year in which they are paid.
<i>Is the cash book up to date and regularly verified?</i>	Yes	Council follows Proper Practices in ensuring that its accounting procedure gives an accurate presentation of the financial position and provides good evidence to support the council’s underlying statements which are verified by council.
<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>

Additional comments:

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	<p>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.</p> <p><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></p>
Where applicable, are internet banking transactions properly recorded and approved?	Yes	<p>Internet banking is operated in accordance with the Council's own Financial Regulations and is used for the settlement of the Council's expenditure. The Internal Control Statement details the procedure to be followed for such payments.</p>

		<i>COMMENT: There is clear evidence of good practice - payments are checked by two councillors against invoices and online authorisation is then completed demonstrating the council is working in line with its own Financial Regulations. A schedule of both due and retrospective regular payments is submitted to the Council for approval at each meeting. This is also published on the Council's website.</i>
Is VAT correctly identified, recorded, and claimed within time limits?	Yes	VAT is identified in the cash book and reclaimed on a quarterly basis. The VAT Assessment file as produced by the accounting packaged operated by the RFO was reviewed and verified. It is confirmed that the VAT reclaims for the following periods were settled during the year under review being verified in the cashbook and bank statements: For the period 1 February 2025 – 30 April 2025, £4,413.68 For the period 1 May 2025 – 31 July 2025, £3,547.14 For the period 1 August 2025 – 31 October 2025, £4,013.11 For the period 1 November 2025– 31 January 2026, £2,904.04
Has the Council adopted the General Power of Competence (GPOC) and is there evidence this is being applied correctly? ³	Yes	The council has confirmed eligibility criteria to enable it to exercise the GPOC and has adopted the same at its meeting on 16 May 2023. Council uses the discretionary power to do anything that an individual can do unless specifically prohibited by law.
Are payments under s.137 ⁴ separately recorded, minuted and is there evidence of direct benefit to electorate?	Yes	5 donations of £250 each were reported to full council as being made under s.137 and are of clear benefit to the electorate. Payments for the year under review total £1250 and are in accordance with statutory limits.

³ Localism Act

⁴ Section 137 of the Local Government Act 1972 (“the 1972 Act”) enables local councils to spend a limited amount of money for purposes for which they have no other specific statutory expenditure. The basic power is for a local council to spend money (subject to the statutory limit – of £11.10 per elector) on purposes for the direct benefit of its area, or part of its area, or all or some of its inhabitants.

Where applicable, are payments of interest and principal sums in respect of loans paid in accordance with agreements?	Yes	Council has no such loan
Additional comments: <i>The Council might wish to consider, in order to show good practice, implementing a system whereby evidence is retained showing which Councillors authorised the on-line payments thereby ensuring that there is an effective system in place to reduce the risks of error for such payments. This not only protects the RFO but will fulfil an internal control objective to ensure the safeguarding of public money.</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 At the meeting of 30 September 2025, Council reviewed its hiring fees for the Pavilion and agreed that fees should remain unchanged for the coming year.
<i>Does the precept recorded agree to the Council Tax Authority's notification?</i>	Yes	Council received precept in the sum of £254,900 from West Suffolk Council for the period under review as reported to full Council within its Financial Reports at its meeting in May. 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.
<i>If appropriate, are CIL reporting schedules in accordance with the Regulations?⁵</i>	N/A	For West Suffolk councils: The district in which the parish council lies does not operate CIL.
<i>Is CIL income reported to the council?</i>	N/A	
<i>Does unspent CIL income form part of earmarked reserves?</i>	N/A	
<i>Has an annual report been produced?</i>	N/A	
<i>Has it been published on the authority's website?</i>	N/A	
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>	Yes	Cash is in operation for two petty cash accounts, one for the Pavilion and one for the Parish. Both operate with a £50 float, with regular reconciliations topping up via cheque. A spot check of items recorded in the cash book were checked against receipts and cash book sheets and found to be in order. RECOMMENDATION: As per Council's Financial Regulation 10.1 b) Cash income must not be paid into the petty cash float, when taking

⁵ Community Infrastructure Levy Regulations 2010

		out a larger amount of money due to no change (July spreadsheet for the Pavilion) the recording should be of the receipted expense only (not amount taken out and change put back in). The spreadsheet shows a negative balance in September for the Pavilion Petty Cash, suggesting that either the receipt hasn't yet been reimbursed or the council is using unrecorded funds (like a Clerk's personal money) to cover costs, which breaches transparency rules.
<i>If appropriate, is there an adequate control system in place?</i>	Yes	Adequate records of the receipts and payments have been maintained for each float, including a VAT analysis, and regular reconciliations are performed. The RFO has ensured that the petty cash system is operated in accordance with FR 10.1 a) & c) for the purpose of defraying operational and other expenses.
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 March 2026) the balance across the council's accounts stood at £543,260 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 each meeting 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 6 employee/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 the Council for approval and payments made in accordance with Council's own Financial Regulations. The minutes of the Council meeting of 31 March 2026, confirm that the Council reviewed all contracts. <i>Comment: Council has noted the requirement to ensure that it formally approves amendments to any employee's pay, emoluments, or terms and conditions of employment.</i>
<i>Are all employees paid at least the minimum wage?</i>	Yes	All Employees are paid at least the national minimum wage.

<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 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 and outsourced to Suffolk Association of Local Councils. 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 and payments are made in accordance with timescales agreed with the Council's Pension Provider.
<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 in February 2026. <i>Comment: if the Council last carried out its re-enrolment duties in 2026, it will be aware that every three years further re-enrolment duties will apply. Council should ensure that it comply with any deadlines for 2029 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		<i>Internal auditor commentary</i>
<i>Are appropriate accounting procedures used?</i>	Yes	Accounts are produced on an income and expenditure basis and all found to be in order.
<i>Financial trail from records to presented accounts</i>	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.
<i>Has the appropriate end of year AGAR⁷ documents been completed?</i>	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. The Accounting Statements were submitted in draft form for the internal audit review, and it is assumed that the figures submitted will be those that are replicated in their entirety onto the AGAR.
<i>Did the Council meet the exemption criteria for 2024-2025 and correctly declared itself exempt?</i>	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.
<i>During the period in question did the small authority demonstrate that it correctly provided for the exercise of public right as required by the Accounts and Audit Regulations 2015?</i>	Yes	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 18 May 2025.

⁷ Annual Governance & Accountability Return (AGAR)

<p><i>Have the publication requirements been met in accordance with the Regulations?⁸</i></p>	<p>Yes</p>	<p>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 31 March 2025 as it published the following on its website:</p> <p>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.</p> <p><i>Comment: Council understands the 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></p>
<p>Additional comments:</p>		

<p>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.</p>		
<p>Evidence</p>	<p>Internal auditor commentary</p>	
<p><i>Is there evidence of risk assessment documentation?</i></p>	<p>Yes</p>	<p>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 of 27 May 2025.</p>

⁸ Accounts and Audit Regulations 2015

<p><i>Is there evidence that risks are being identified and managed?</i></p>	<p>Yes</p>	<p>Council is aware that 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 manage in order to avoid financial or reputational consequences.</p> <p>Being responsible for play equipment, Council has reviewed and approved the play area inspection reports in June 2025 from West Suffolk Council and confirmed the continuation of this play inspection service at its meeting of 27 January 2026. At its meetings on 25 November 2025 Council discussed the safety of lone working and agreed to the cost of installation of a wall hatch. Council has a lone working policy. These highlight good practice.</p>
<p><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></p>	<p>Yes</p>	<p>Council has insurance in place under a specialist policy for local councils with Clear Insurance Management which shows core cover for the following: Employer liability: £10million, Public/Products Liability: £10million and Fidelity Guarantee of £750,000. Council entered into a 3 year long-term agreement in 2024 and are in the second year of this agreement with their insurance provider Clear Councils.</p> <p><i>COMMENT: Council has followed recommended guidance by ensuring that its Fidelity Cover is equal to at least the sum of the year-end balances plus 50% of the precept/grants to be received in the following April.</i></p> <p>The Council's insurance cover was renewed at their meeting on 27 January 2026 and there is a minute to show the cover was reviewed and considered appropriate at the meeting of 27 May 2025, which is highlighted as good practice, as a record that the RFO has undertaken a review will help manage the potential consequence of a risk occurring.</p>

		<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 27 January 2026, 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>	Yes	In accordance with the Accounts and Audit Regulations 2015, the Parish Council formally reviewed the scope and effectiveness of its internal audit arrangements, evidence of which is contained within its Internal Control Statement as adopted on 27 January 2026.
<i>Additional comments:</i> <i>the Council has identified a number of risks to Red Lodge Parish Council and taken steps to control these. These are clearly identified and approved by the Council. In accordance with proper practices the council has demonstrated it has taken steps to manage key risks in a way it can justify to a level which is tolerable by transferring the risks and taking out insurance, and that the review of insurance cover has been reported back to full Council and duly minuted. By reviewing the terms of reference for internal audit the council has followed guidance and demonstrates it recognises that the internal audit function is to test and report to the authority on whether its specific system of internal control is adequate and working satisfactorily.</i>		

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 of 27 May 2025 and reviewed/approved again on 27 January 2026. It 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 £297,910 which reflects overall movement in the asset register covering acquisitions and disposals. <i>Comment: Council is mindful of the guidance within the Governance and Accountability for Smaller Authorities in England March 20** 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	

¹¹ Practitioners Guide

<i>Is the asset register up to date and reviewed annually?</i>	Yes	The Asset Register was reviewed and approved by council at a meeting held 27 May 2025, following which it was then updated on 27 January 2026.
<i>Cross checking of insurance cover</i>	Yes	Council has insurance under all risks cover for its assets as specified under generic headings on the insurance schedule.
Additional comments: <i>Councils should be mindful of the guidance in Governance and Accountability for Smaller Authorities for England (March 2025) regarding valuation of assets and 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 and if/where amended it will need to publish and provide explanations in changes in value to any previously recorded assets</i>		

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		<i>Internal auditor commentary</i>
<i>Has the Council registered with the Information Commissioner’s Office (ICO)?¹²</i>	Yes	The Council is correctly registered with the Information Commissioner’s Office (ICO) as a Data Controller in accordance with the Data Protection Legislation.
<i>Is there an adopted council publication scheme and is it reviewed regularly?</i>	Yes	It is noted that Council is due to review its Model Publication Scheme detailing the type of information the Council holds and how it will make it available to the public in 2026 at its meeting of 26 May 2026. <i>COMMENT: Under the Freedom of Information Act 2000, public authorities must provide access to information held which must be published proactively. The Freedom of Information Act requires every public authority to have a publication scheme and to publish information covered by the scheme. Council should seek to review the information it holds under its</i>

¹² Data Protection Act 2018

		<i>scheme and ensure that it is up to date and ensure that it is available to view on its website.</i>
<p><i>Is the Council compliant with the General Data Protection Regulation requirements?¹³</i></p> <p><i>Councils must:</i></p> <ul style="list-style-type: none"> <i>Comply with their legal & statutory obligations under UK GDPR & The Data Protection Act 2018</i> <i>Process personal data lawfully, fairly and in line with the prescribed data protection principles</i> <i>Recognise their role as both data controller and data processor</i> 	Yes	<p>Council has taken active steps to ensure compliancy 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.</p> <p>The following are in place and have been reviewed on 27 May 2025:</p> <ul style="list-style-type: none"> <i>Impact assessments</i> <i>Privacy notices (published inc. for employees and evidence of review)</i> <i>Procedures for dealing with subject access and freedom of information requests</i> <i>Procedures for dealing with data breaches</i> <p><i>COMMENT: To achieve best practice, councils are recommended to:</i></p> <ul style="list-style-type: none"> <i>Adopt a Data retention policy to include disposal</i> <i>Carry out data protection audits, mapping personal data being processed and carrying out data risk assessments.</i> <i>Provide regular data protection compliance training for council staff and councillors.</i> <i>Have appropriate information compliance policies and ways of working in place that reflect how the council operates to protect personal data from breaches</i>
<p><i>Has the Transparency Code been correctly applied, and information published in accordance with current legislation?</i></p>	Yes	<p>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. 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.</p>

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

		For Red Lodge Parish Council, the transparency code requirements include the publication of quarterly reporting of spending transactions valued over £500; quarterly reporting of invitation to tender for contracts over £5,000; quarterly publication of details of every transaction on a government procurement card; the annual reporting of organisational charts; annual reporting of all grants made to voluntary, community and social enterprise organisations and the annual reporting of the location of public land and assets.
<i>Has the Council published a website accessibility statement on their website in line with Regulations?</i> ¹⁴	Yes	Council has accessibility tools on its website thereby allowing for the increased functionality of the council's website, along with a website accessibility statement on the Council operated website detailing the technical information of the website along with the methods used for testing the website; the steps being taken to improve accessibility and how the site is being improved to ensure that content meets the WCAG 2.2 Standard under Regulation 8 of the Public Sector Bodies (Websites and Mobile Applications) (No. 2) Accessibility Regulations 2018.
<i>Has website accessibility been tested, at least annually?</i>	Yes	Council have taken necessary steps to review website accessibility through a third party that has carried out a website accessibility audit on 30 March 2026, however the link positioned at the bottom of the website shows the last review was carried out in 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?</i> ¹⁵ For example clerk@abccouncil.gov.uk or clerk@abccouncil.org.uk	Yes	Council operates with a .gov.uk email address for the Clerk and Councillors <i>COMMENT: this ensures that sensitive information is handled in a controlled environment with appropriate security measures. This aligns with GDPR principles such as data minimisation, integrity and confidentiality. Authority-</i>

¹⁴ Website Accessibility Regulations 2018

¹⁵ Practitioners Guide

		<p><i>owned email accounts provide a clear record of communications, which is essential for transparency and accountability. This helps in maintaining an audit trail and ensures all council-related communications are accessible for review if needed and makes Data Subject Access and Freedom of Information Requests easier to manage.</i></p> <p><i>COMMENT: for the purposes of user management, Council has ensured that the Proper Officer can add and remove members and staff email accounts.</i></p>
<p><i>Does the council have an IT policy that is tailored to the council?</i> ¹⁶</p>	<p>Yes</p>	<p>The council has adopted an IT policy that has been personalised for the specific use of the council. This policy was approved at the meeting of 31 March 2026.</p>
<p>Additional comments:</p>		

<p>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.</p>		
<p>Evidence</p>		<p><i>Internal auditor commentary</i></p>
<p><i>Has the Council considered the previous internal audit report?</i></p>	<p>Yes</p>	<p>The Internal Audit Report for the period ending 31 March 2025 was formally considered by and approved for adoption at the meeting of full Council of 27 May 2025. The RFO was authorised to conduct necessary actions in accordance with the recommendations and comments raised within the report which was monitored as the year progressed.</p>

¹⁶ Practitioners Guide

<p><i>Has appropriate action been taken regarding the recommendations raised?</i></p>	<p>Yes</p>	<p>The recommendation as raised in the internal audit report for the period ending 31 March 2025, having been considered by the Council were approved for implementation and have been implemented :</p> <ul style="list-style-type: none"> whilst there is prudence in ensuring that protection of the investment is more important than the investment return, council should seek to protect its financial assets and reduce the risks involved in holding sum with one bank and look to the placing of funds within a range of accounts to secure maximum protection under the Financial Services Compensation Scheme. <p><i>COMMENT: Council has understood the requirement to ensure that, having received a narrative internal audit report, it should minute its review of the work carried out and agree actions planned from the outcomes identified.</i></p>
<p><i>Has the Council confirmed the appointment of an internal auditor?¹⁷</i> <i>Has the letter of engagement been approved by full council?¹⁸</i></p>	<p>Yes Yes</p>	<p>SALC were appointed as the Council's internal auditors for the year ending 31 March 2026 at the meeting of 27 May 2025.</p> <p>The letter of engagement was approved by Council on 31 March 2026.</p>
<p><i>Additional comments:</i></p>		

¹⁷ Practitioners' Guide

¹⁸ Practitioners' Guide

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		<i>Internal auditor commentary</i>
<i>Has the Council considered the previous external audit report?</i> ¹⁹	Yes	At the meeting of full Council of 30 September 2025, Council considered the report from the External Auditor for the year ending 31 March 2026. The Notice of Conclusion was seen on the Council’s website.
<i>Has appropriate action been taken regarding the comments raised?</i>	Yes	There were no matters which come to the attention of the external auditor which have cause for concern that relevant legislation and regulatory requirements had not been met.
Additional comments:		

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 27 May 2025 and the first item on the agenda was the election of Chairperson.

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.*

²⁰ The Local Government Act 1972 Schedule 12, paragraph 7 (2) and Schedule 15 (2)

<i>Is there evidence that Minutes are administered in accordance with legislation? ²¹</i>	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 was seen on the District Authority's Website the Register of Interests for all current Parish Councillors with 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>	N/A	Council does not have any Trustee Responsibilities.
<i>Is there evidence that electronic files are backed up?</i>	Yes	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>	Yes	Council does not operate a committee system but reviewed the Terms of Reference for its working groups at the annual council meeting on 27 May 2025.
<i>Additional comments:</i>		

Signed: D L Frost

Date of Internal Audit review: 25 May 2026

Date of Internal Audit Report: 29 May 2026

On behalf of Suffolk Association of Local Councils

²¹ Public Bodies (Admission to Meetings) Act 1960, Local Government Act 1972, and the Localism Act 2011