Interim Internal Audit Report for Felixstowe Town Council

for the period ending 30th September 2026

Clerk	Ash Tadjrishi
RFO (if different)	As above
Chairperson	Darren Aitchison
Precept	£749,873.00
Income	£967,357.54
Expenditure	£588,367.55
General reserves	£826,339.74
Earmarked reserves	£1,828,239.72
Audit type	Interim (non-exempt authority)
Auditor name	Julie Lawes

Introduction

The primary objective of internal audit is to review, appraise and report upon the adequacy of internal control systems operating throughout the council. To achieve this SALC adopt a predominantly systems-based approach to audit.

The council's internal control system comprises the whole network of systems established within the council to provide reasonable assurance that the council's objectives will be achieved, with reference to:

- the effectiveness of operations
- the economic and efficient use of resources
- compliance with applicable policies, procedures, laws, and regulations
- the safeguarding of assets and interests from losses of all kinds, including those arising from fraud, irregularity, and corruption
- the integrity and reliability of information, accounts, and data

Methodology

When conducting the audit, the internal auditor may:

- conduct a selective assessment of compliance with relevant procedures and controls expected to be in operation during the financial year in order to be able to complete the Annual Internal Audit Report 2025/26 of the Annual Governance and Accountability Return (AGAR)
- review the reliability and integrity of financial information and the means used to identify, measure, classify and report such information
- review the means of safeguarding assets and, as appropriate, verify the existence of such assets
- appraise the economy and efficiency with which resources are employed, identify opportunities to improve performance and recommend solutions to problems
- review the established systems to ensure compliance with those policies, procedures, laws, and regulations which could have a significant impact on operations, and determine whether the council complies
- review the operations and activities to ascertain whether results are consistent with objectives and whether they are being conducted as planned

Section 1 – Financial Regulation and Standing Orders The internal auditor will check the date the Council conducted its annual review of both Standing Orders and Financial Regulations and in particular check if these are based on NALC'S latest model which include legislative changes.		
Evidence		*Internal auditor commentary*
Have Standing Orders been adopted, up to date and reviewed annually?	*YES*	The Council's Standing Orders were formally approved and adopted by Full Council at its meeting held on 20 May 2026, following consideration and recommendation by the Finance & Governance Committee at its meeting on 18 March 2026. The Standing Orders are based on the latest model published by the National Association of Local Councils (NALC) in April 2025 and have been fully reviewed and tailored to reflect the Council's specific requirements and governance arrangements.
Are Financial Regulations up to date and reviewed annually?	*YES*	The Council's Financial Regulations, as published on the Council's website, are based on the latest model issued by the National Association of Local Councils (NALC), Model Financial Regulations, March 2025. The Financial Regulations were formally approved and adopted by Full Council at its meeting held on 20 May 2026, following consideration and recommendation by the Finance & Governance Committee at its meeting held on 18 March 2026. At that meeting, the Finance & Governance Committee also resolved that the existing electronic payment mandates would remain valid under the 2025 resolution. The Committee further confirmed that the Council remains compliant with the requirements of the Procurement Act 2023 and the Procurement Regulations 2024.
Has the Council properly tailored the Financial Regulations?	*YES*	The Council's Financial Regulations have been reviewed and appropriately tailored to reflect the specific requirements, governance arrangements and circumstances of the Town Council.

Has the Council appointed a Responsible Financial Officer (RFO)?[1]	*YES*	In accordance with Section 151 of the Local Government Act 1972, relating to the proper administration of the Council's financial affairs, the Council has appointed the Town Clerk as the officer responsible for the administration of its financial affairs, in accordance with Regulation 1.5 of the Council's Financial Regulations.
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	*YES*	The finalised budget for the 2026/27 financial year was approved by Full Council at its meeting held on 14 January 2026, following consideration and recommendation by the Finance & Governance Committee at its meeting held on 10 December 2025. The Full Council minutes record the total budgeted income and expenditure. The detailed budget breakdown has also been published on the Council's website, providing supporting evidence of the approved budget.
Verify that the precept amount has been agreed in full Council and clearly minuted	*YES*	At its Full Council meeting held on 14 January 2026, the Council resolved to approve the precept for the 2026/27 financial year at £749,873 representing a 3.6% increase for a Band D property. Evidence was provided confirming that the approved precept was submitted to East Suffolk Council on 15 January 2026.
Regular reporting of expenditure and variances from budget	*YES*	The Council receives regular financial monitoring reports detailing bank balances and providing for the review and approval of bank reconciliations. These reports also include comparisons of budgeted and actual income and expenditure, enabling the Council to monitor financial performance against the approved budget. Financial monitoring statements provide evidence of these budgets to actual comparisons and are used to inform and support the consideration and approval of virements, in accordance with the Council's Standing Orders and relevant Terms of Reference.

Reserves held – general and earmarked[2]	*YES*	As at 30th September 2026, the Scribe accounting system recorded General Reserves of £826,339.74 and Earmarked Reserves of £1,001,899.98 giving a total figure of £1,828,239.72.
Does the council have a General Reserves Policy?	*YES*	Council has in place a Reserve Policy covering the period of 2026-2028 which provides clarity on the reasoning behind the holding of and intended level of reserves to be maintained to ensure that the council achieves the recommended levels. The Reserves Policy was reviewed and approved by council at its meeting held 20th May 2026 following a review by the Finance and Governance Committee at its meeting held 18th March 2026.
Additional comments:		

[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		*Internal auditor commentary*
Is the ledger maintained and up to date?	*YES*	The council uses Scribe Accounting to produce reports on an Income and Expenditure basis and ensures that the financial transactions of the Town Council are as accurate as reasonably practicable. All transactions are well referenced and linked to appropriate paperwork providing a paperless system giving complete information in one location. The Scribe system is cloud based.
Is the ledger on the correct basis in relation to the gross income/expenditure?	*YES*	The Council operates an Income and Expenditure accounting basis ensuring that the accounts include all transactions where the Council has received or provided economic benefits, irrespective of when the associated cash receipt or payment is made.
Is the cash book up to date and regularly verified?	*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.
Is the arithmetic correct?	*YES*	A number of spot checks were undertaken, and the functionality and operation of the cashbook were found to be satisfactory. The RFO has implemented a clear and consistent approach to transaction referencing, ensuring that all payments and receipts include an appropriate description of the expenditure or income to which they relate. This provides greater transparency and supports effective scrutiny, traceability and integrity of the financial data recorded and processed by the Council.
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*	A sample of payments were selected on a random basis and subjected to detailed cross-checking against the Council's cashbook, corresponding bank statements and supporting invoices. The testing confirmed that the payments selected were accurately recorded within the accounting system and could be fully reconciled to the relevant bank transactions and supporting documentation. The sample also confirmed that payments had been appropriately authorised in accordance with the Council's Financial Regulations, established internal controls and applicable Proper Practices. Supporting documentation was available for the payments tested, providing a clear and satisfactory audit trail from the original invoice through to payment and recording within the cashbook. No discrepancies or exceptions were identified from the sample of transactions reviewed.
Where applicable, are internet banking transactions properly recorded and approved?	*YES*	Internet banking is operated in accordance with the Council's own Financial Regulations and is used for the settlement of the Council's expenditure. Financial Regulations state, the bank mandate agreed by the council shall identify six councillors who will be authorised to approve transactions on those accounts and a minimum of two people will be involved in any online approval process.

		The Service Administrator shall set up all items due for payment online. A list of payments for approval, together with copies of the relevant invoices, shall be sent to all authorised signatories for two to approve. The Internal Control Statement details the procedure to be followed for such payments. There is clear evidence of good practice with a schedule of payments being signed as approved by two councillors, plus the RFO against invoices and online authorisation completed demonstrating the council is working in line with its own Financial Regulations. At the meeting held on 20th May 2026, council confirmed its bank signatories and approved BACS payments.
Is VAT correctly identified, recorded, and claimed within time limits?	*YES*	Council recorded two receipts of VAT amounts following submission of its returns, as evidenced in the bank statements as received. £2,823.81 received 23rd April 2026 £2,950.22 received 10th July 2026
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 as adopted at its meeting on 17th 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?	*N/A*	There were no payments identified as being made under this power for the year under review.
Where applicable, are payments of interest and principal sums in respect of loans paid in accordance with agreements?	*YES*	The council has one Public Works Board Loan (PW493956). The balance outstanding as at 31st March 2026 was £203,375.85. A payment of £17,365.97 was made on the 21st September 2026 in accordance with the instalment repayment schedule of which the principal amount deducted was £12,332.42

[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 £11.60 per elector) on purposes for the direct benefit of its area, or part of its area, or all or some of its inhabitants.*

		The loan type is fixed and the repayment method is via an annuity.
Additional comments:		

Section 5 – Income controls The internal auditor will seek evidence to ensure income is correct managed – recorded, banked, and reported and test mechanisms used to achieve this.		
Evidence		Internal auditor commentary
Is income properly recorded and promptly banked?	*YES*	Income is recorded in accordance with 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.
Is income reported to full council?	*YES*	Income received is reported within the financial statements submitted to Council in accordance with Financial Regulations. Income is evidenced as being received in the council accounts and logged and designated to the appropriate cost code within the accounting system.
Does the precept recorded agree to the Council Tax Authority's notification?	*YES*	Council received precept in the sum of £749,873 from East Suffolk Council during the period under review for 2026/2027 with an initial payment of £374,936.50 received 29th April 2026 and a final balance of £374,936.50 received 30th September 2026. Evidence was provided showing a full audit trail from Precept being discussed and approved to being served on the Charging Authority to remittance advice showing the Precept to be paid and receipt of same in the Council's Bank Account.
If appropriate, are CIL reporting schedules in accordance with the Regulations?[5]	*YES*	Annual CIL Reports are approved by council, published on their website and submitted to East Suffolk Council in accordance with requirements. Discussions and approvals of initial allocations for the period of 2026/2027 were made at a meeting held 17th June 2026.

[5] Community Infrastructure Levy Regulations 2010

Is CIL income reported to the council?	*YES*	CIL receipts received are reported within the financial statements. Council recorded income received of £60,516.36 on the 24th April 2026 as evidenced as received in the council accounts.
Does unspent CIL income form part of earmarked reserves?	*YES*	Council has allocated earmarked reserves specifically for CIL funds in accordance with the Regulations.
Has an annual report been produced?	*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.
Has it been published on the authority's website?	*YES*	The annual report for the year 2025/2026 showing income received and retained balances was verified by the internal auditor.
Additional comments:		

Section 6 – Petty cash The Internal Auditor will seek evidence that the Council has followed its own policies, procedures, and verification processes and that these are up to date.		
Evidence		Internal auditor commentary
Is petty cash in operation?	*YES*	The Council maintains a petty cash system to facilitate the payment of smaller, incidental expenditure incurred in the day-to-day operation of the Council's office. Appropriate supporting documentation is retained for each petty cash transaction, with vouchers and receipts held as evidence of the expenditure incurred. This provides a clear audit trail for petty cash transactions and supports the Council's internal controls over the recording and authorisation of expenditure.
If appropriate, is there an adequate control system in place?	*YES*	In accordance with the Council's Internal Controls, the Town Clerk, Deputy Clerk and Civic Events Officer have been authorised by the Council to withdraw up to £250 per month for the purpose of maintaining the Council's petty cash float. The petty cash arrangements are managed in accordance with Regulation 10 of the Council's Financial Regulations, which sets out the requirements and controls governing the operation and use of petty cash.
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
Is bank reconciliation regularly completed and reconciled with the cash book and cover every account?	*YES*	Bank reconciliations are completed on a monthly basis. 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.
Do bank balances agree with bank statements?	*YES*	Bank balances agree with statements and as at 30th September 2026 the balance across the council's accounts stood at £1,821,681.93.
Is there regular reporting of bank balances at Council meetings?	*YES*	In accordance with Financial Regulation 2.6. where at least once in each quarter, and at each financial year end, a member other than a cheque signatory shall be appointed to verify bank reconciliations (for all accounts) produced by the RFO. The Council has an appointed Internal Controller for independent review as approved at the meeting held 20th May 2026 with evidence of this being actioned within the minutes of the Finance and Governance Committee meeting held 3rd June 2026.

Section 8 – Payroll controls
The Internal Auditor will check salaries were approved in accordance with PAYE, NI, Pension and that there is a clear understanding that the clerk is not self-employed. The Internal Auditor will also review how payroll is managed including evidence of approval of payslips.

Evidence		Internal auditor commentary
Do all employees have contracts of employment?	*YES*	Council had 14 employees plus one member of staff on a zero hour contract at the time of audit. Employment contracts were not reviewed during the internal audit but the Deputy Clerk to the Council confirmed that all staff have a Contract of Employment in place.
Has the Council approved salary paid?	*YES*	All salary payments are presented to the Council for approval and payments made in accordance with Council's own Financial Regulations.
Are all employees paid at least the minimum wage?	*YES*	Employees are paid at least the national living wage. The Personnel Committee set the salary which is then presented to Council within the budget.
Are arrangements in place for authorising of the payroll and payments to the council? Does this include a verification process for agreeing rates of pay to be applied?	*YES*	There are suitable payroll arrangements in place which ensures the accuracy and legitimacy of payments of salaries and wages, and associated liabilities and as such the council has complied with its duties under legislation. Council uses Payflow to administer payments.
Do salary payments include deductions for PAYE/NIC? Is PAYE/NIC paid promptly to HMRC?	*YES*	The payroll function for the year under review is operated in accordance with HM Revenue and Customs guidelines. 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.

Is there evidence that the Council is aware of its pension responsibilities? Are pension payments in operation?[6]	*YES*	Council is aware of its pension responsibilities and payments are made in accordance with timescales agreed with the Council's Pension Provider.
Have pension re-declaration duties been carried out	*YES*	From paperwork seen, the council completed its re-declaration of compliance with The Pensions Regulator on Tuesday 2nd December 2025.
Are there any other payments (e.g.: expenses) and are these reasonable and approved by the Council?	*YES*	There is a satisfactory expense system in place and all expenses claimed are approved by full council with supporting paperwork in place and reimbursed in accordance with Council's Financial Regulations.
Additional comments:		

[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 an income and expenditure basis and all found to be in order.
Financial trail from records to presented accounts	*YES*	Council has provided a full audit trail from records to presented accounts.
Has the appropriate end of year AGAR[7] documents been completed?	*N/A*	Interim audit review.
Did the Council meet the exemption criteria for 2026/2027 and correctly declared itself exempt?	*N/A*	Interim audit 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*	Council had correctly demonstrated that is has provided for the exercise of public rights as required by the Accounts and Audits Regulations 2015 by publishing in its website the required notice, detailing an announcement date of 22nd June 2026 and an inspection date of Tuesday 23rd June 2026 to Tuesday 3rd August 2026. ***Comment:*** *The 3rd of August 2026 was a Monday, not a Tuesday, however Monday or the 3rd are both at least the 30 day period.*
Have the publication requirements been met in accordance with the Regulations?[8]	*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 has complied with the requirements of the Accounts and Audit Regulations 2015 for the year ending 31st March 2026 as it published the following on its website:

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

		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.
Additional comments:		

Section 10 – Risk management The internal auditor will expect to find evidence of the management of risks from identification of what those are for each individual Council through to how these will be managed and the controls in place to mitigate these and that these have been approved by the Council.		
Evidence		Internal auditor commentary
Is there evidence of risk assessment documentation?	*YES*	The Council's Risk Management Policy and Risk Register were reviewed and formally approved by Full Council at its meeting held on 20 May 2026. The documentation reviewed identifies the key risks associated with the operation and activities of the Council and sets out the controls and mitigating measures to be implemented to manage and reduce those risks to an appropriate level. The Council's Risk Management Policy has been published on the Council's website, providing transparency and accessibility of the Council's approach to risk management.
Is there evidence that risks are being identified and managed?	*YES*	The Council recognises the importance of effective risk assessment in protecting the Town Council assets, with particular emphasis on the safeguarding of public funds and financial resources. Evidence reviewed demonstrates that the Council has taken appropriate steps to identify and assess the key risks associated with its activities and assets. The Council has also considered the actions and controls required throughout the year to manage and mitigate these risks, with the aim of minimising potential financial, operational and reputational consequences. The approach adopted provides evidence that risk management is considered as part of the Council's ongoing decision-making and financial management processes.

*Does the Council have appropriate and adequate insurance cover in place for employment, public liability and fidelity guarantee **and** has been reviewed on an annual basis?*	*YES*	The Council has appropriate insurance cover in place under a specialist local authority policy with Zurich Municipal for the period 1 April 2026 to 31 March 2027. The policy provides core cover including Public Liability of £15 million, Employers' Liability of £10 million and Fidelity Guarantee cover of £2 million. The policy also provides cover in respect of four premises, including buildings and contents, together with cover for motor vehicles, business interruption and other additional risks and items relevant to the Council's activities. The Council has demonstrated that it has considered the risks associated with the delivery of its services and the management of its assets and financial resources. Appropriate insurance arrangements have been put in place to provide protection against identified risks, including those relating to property, cash, employees, public and legal liability and business interruption. The insurance arrangements, together with the Council's wider risk management processes, provide evidence that the Council has taken appropriate steps to identify, manage and mitigate the financial and operational risks associated with its activities. The Finance and Governance Committee reviewed its cover at a meeting held 28th January 2026 noting a need for re-evaluation of council buildings to be bought to committee later in the year.
Evidence that internal controls are documented and regularly reviewed[9]	*YES*	In accordance with Regulation 6 of the Accounts and Audit Regulations 2015, council 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 as resolved at the meeting of the Finance & Governance Committee held 3rd June 2026 and full council 17th June 2026.
Evidence that a review of the effectiveness of internal audit was conducted during the year, including	*YES*	In accordance with the Accounts and Audit Regulations 2015, the Town Council formally reviewed the scope and effectiveness of its internal audit

[9] Accounts and Audit Regulations

consideration of the independence and competence of the internal auditor prior to their appointment[10]		arrangements, as resolved by the Finance & Governance Committee at its meeting held 3rd June 2026 and by Full Council on 17th June 2026.
Additional comments:		

[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
Does the Council maintain a register of material assets it owns and manage this in accordance with proper practices?[11]	*YES*	The Asset Register, as viewed on the Council website, the Scribe system and as approved at the meeting of the Asset and Services Committee held 22nd April 2026 and Full Council 20th May 2026, reflects those items listed under insurance and within the Town Council's remit for maintenance and ownership.
Is the value of the assets included? (Note value for insurance purposes may differ)	*YES*	It is noted that the declared value for all assets on Scribe is £354,407.87 which reflects overall movement in the asset register covering acquisitions and disposals.
Are records of deeds, articles, land registry title number available?	*YES*	Records of deeds, articles, land registry title number were not reviewed during the internal audit.
Are copies of licences or leases available for assets sited at third party property?	*N/A*	Council advised it has no leases or licences.
Is the asset register up to date and reviewed annually?	*YES*	The Asset Register was reviewed and approved by the Asset and Services Committee at a meeting held 22nd April 2026, followed by a full council meeting held 20th May 2026.
Cross checking of insurance cover	*YES*	The Council maintains appropriate insurance cover for its assets and has established an Asset and Services Committee to oversee and review the Council's assets on an ongoing basis.

[11] Practitioners Guide

		The Committee's regular review of the Council's assets supports the identification of changes in asset holdings and associated risks, helping to ensure that the Council's insurance arrangements remain appropriate and that assets are adequately protected.
Additional comments:		

Section 12 – Assertion 10 The internal auditor will be checking that the council complies to the new assertion 10 introduced to the Annual Governance Accountability and Return (AGAR) following changes to 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. Reference: Z979399 Expiry: 25th September 2027
Is there an adopted council publication scheme and is it reviewed regularly?	*YES*	As defined under the Freedom of Information Act 2000, Council has adopted a Freedom of Information Publication Scheme which was documented as reviewed at a meeting of council held 20th May 2026.
Is the Council compliant with the General Data Protection Regulation requirements?	*YES*	The Council continues to maintain arrangements to support compliance with the requirements of the General Data Protection Regulation (GDPR) and applicable data protection legislation. Its suite of policies sets out clear responsibilities and obligations in relation to the collection, use, processing, storage and protection of personal information. Appropriate Data Protection policies and procedures are in place, including provisions setting out the lawful basis for processing personal data and arrangements for the effective management and retention of Council records. These arrangements provide a framework for the Council to manage personal information appropriately and to meet its legal and regulatory obligations. The Council's Data Protection and Data Retention Policy, which was reviewed on the Council's website, sets out the framework for the handling of personal data and requests from individuals exercising their data protection rights. This includes information regarding the data held by the

[12] Data Protection Act 2018

		Council, the purposes for which it is processed, circumstances in which it may be shared with third parties, and the applicable retention periods. The suite of policies and procedures adopted by the Council also includes arrangements for managing data breaches and responding to Subject Access Requests. Collectively, these policies and procedures demonstrate that the Council has established appropriate controls and processes for the governance, protection and management of personal data.
Has the Transparency Code been correctly applied, and information published in accordance with current legislation?	*YES*	Felixstowe Town Council recognises and complies with the applicable requirements of the Transparency Code for Smaller Authorities. The Council's transparency arrangements include the publication of the following information: • quarterly publication of expenditure transactions over £500, excluding exempt salary information; • quarterly publication of details of invitations to tender for contracts exceeding £5,000; • quarterly publication of details of transactions made using a government procurement card, where applicable; • annual publication of the Council's organisational chart; • annual publication of details of grants awarded to voluntary, community and social enterprise organisations; and • annual publication of the location of public land and assets. The Council's arrangements provide evidence that the required financial and governance information is made available publicly in accordance with the relevant transparency requirements.
Has the Council published a website accessibility statement on their website in line with Regulations?[13]	*YES*	Council has a website accessibility statement detailing the technical information of the website along with the methods used for testing, 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.

[13] Website Accessibility Regulations 2018

Has website accessibility been tested, at least annually?	*YES*	A manual review of the website accessibility was undertaken on 5th March 2026, with the Statement prepared on the 18th March 2026.
Does the council have, as a minimum, a single generic email address on an authority owned domain, for correspondence?[14] 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 ensuring that sensitive information is handled in a controlled environment with appropriate security measures. This aligns with GDPR principles such as data minimisation, integrity and confidentiality. Authority-owned email accounts provide a clear record of communications, which is essential for transparency and accountability, helping to maintain an audit trail and ensuring all council-related communications are accessible for review if needed making Data Subject Access and Freedom of Information Requests easier to manage.
Does the council have an IT policy that is tailored to the council? [15]	*YES*	The council has adopted an ICT policy that has been personalised for the specific use of the council. This policy was reviewed at the meeting of the Finance and Governance Committee on 18th March 2026 and is published on the council website.
Additional comments:		

[14] Practitioners Guide
[15] 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?	*YES*	The Internal Audit Report for the period ending 31st March 2026 was resolved for adoption at the meeting of the Finance and Governance Committee held 3rd June 2026 followed by full Council at a meeting held 17th June 2026.
Has appropriate action been taken regarding the recommendations raised?	*YES*	Council has ensured it publishes compliant contracts register on the website.
Has the Council confirmed the appointment of an internal auditor?[16]	*YES*	SALC were appointed as the Council's internal auditors for the period of 2026/2027 at the Finance and Governance Committee meeting held 3rd June 2026 followed by approval of full council at the meeting held 17th June 2026.
Has the letter of engagement been approved by full council?[17]	*YES*	The letter of engagement was approved at the above meeting.
Additional comments:		

[16] Practitioners' Guide
[17] 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		*Internal auditor commentary*
Has the Council considered the previous external audit report?[18]	*YES*	No matters were raised.
Has appropriate action been taken regarding the comments raised?	*N/A*	No matters were raised.
Additional comments:		

[18] 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		*Internal auditor commentary*
Was the annual meeting held in accordance with legislation? [19]	*YES*	The Annual Meeting of the Council was held on 20th May 2026 with the first item on the agenda the election of the Town Mayor for the Municipal Year 2026/2027.
Is there evidence that Minutes are administered in accordance with legislation? [20]	*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. *Comment: Apologies for absence – please refer to the Hoey & Ainscough factsheet on this topic for guidance.*
Is there a list of members' interests held?	*YES*	Evidence was seen on the East Suffolk Council website the Register of Interests for all current Town Councillors with a direct link from the Council's own website. *Comment: Legislation changes from 29th June 2026 – view SALC Blog – councillors will no longer be legally required to display their usual residential address (home address) on the publicly accessible Register of Interests.*
Does the Council have any Trustee responsibilities and if so, are these clearly identified in a Trust Document?	*N/A*	Council does not have any Trustee Responsibilities.

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

Is there evidence that electronic files are backed up?	*YES*	Council uses a system whereby a back-up of the council's data is taken and stored appropriately to a cloud-based system.
Do terms of reference exist for all committees and is there evidence these are regularly reviewed?	*YES*	Terms of Reference of Committees document regular reviews.
Additional comments: *I would like to thank the staff members of Felixstowe Town Council for their assistance and cooperation throughout the audit process. The clear, comprehensive and timely information provided was extremely helpful in supporting the review and enabled the audit work to be completed effectively.* *The Council continues to demonstrate a strong commitment to good governance, sound financial management and transparency, and remains an excellent example of good practice within the sector.*		

Signed: *Mrs J Lawes*

Date of Internal Audit: Thursday 8th October 2026

Date of Internal Audit Report: Friday 9th October 2026

On behalf of Suffolk Association of Local Councils