Year End Internal Audit Report for Witham Town Council – 2025/2026

The following Internal Audit was carried out on the adequacy of systems of control in accordance with the requirements of the Audit and Accounts Regulations 2015 and the guidance and instruction in the Practitioners Guide 2025 and should be read in conjunction with the Interim Internal Audit Report dated 10/11/2025. The following recommendations/comments have been made:

Income: £1,207,327.50 Expenditure: £1,068,262.78 Reserves: £928,346.21

2026 AGAR Completion:
Section One: Not yet completed
Section Two: Yes – signed by RFO and awaiting approval by full Council
Annual Internal Audit Report 2025/2026: Yes
Certificate of Exemption: No

Financial regulations

Standing Orders and Financial Regulations
Tenders
Appropriate payment controls including acting within the legal framework with reference to council minutes
Identifying VAT payments and reclamation
Cheque books, paying in books and other relevant documents

VAT reclaimed during the year: Yes Registered: No
It is noted that the Council are in the process of becoming registered for VAT.

Submission Period:	Amount:
01/04/2025--31/03/2026	*£52,964.23*

The Council reviewed the following documents during the year of audit:

23/3/2026
- *Witham Corporate Strategy – Ref: 25*
- *Accessibility Statement – Ref: 26*
- *Data Map – Ref: 27*
- *Data and Document Retention Policy – Ref: 20.a*
- *Equality Policy – Ref: 20.b*
- *Freedom of Information Policy – Ref: 20.c*
- *Press and Media Policy – Ref: 20.d*
- *Public Complaints and Procedure Policy – Ref: 20.e*
- *Publication Scheme – Ref: 20.f*
- *Training Policy – Ref: 20.g*
- *Reserves Policy – Ref: 20.h*
- *External Suppliers Policy – Ref: 20.i*

Contact details : 1 Hembling Terrace, Mill Lane, Suffolk, IP13 0PP
Tel: 07732 681125
Email: heather@heelis.eu

Heather Heelis Dip HE Local Policy FILCM
Lynne Lodge Dip HE Local Policy

9/12/2025

- *Vexatious Complaints Policy – Ref: 16.a*
- *Safeguarding Policy – Ref: 16.b*
- *Public Artefact Donation Scheme – Ref: 16.c*
- *Body Worn Camera Policy – Ref: 16.d*
- *Lone Worker Policy – Ref: 16.e*

9/3/2026

- *General Privacy Notice – Ref: 183.a*
- *Public CCTV Policy – Ref: 183.b*
- *Registration of Gifts Policy – Ref: 183.c*
- *Anonymous Communications Policy – Ref: 183.d*
- *Risk Management Policy – Ref: 183.e*

12/1/2026

- *Civility and Respect, Councillor's Statement of Assurance – Ref: 153*

Risk Assessment

Appropriate procedures in place for the activities of the council
Compliance with Data Protection regulations

Risk Assessment document in place: Yes

The Council have effective internal financial controls in place. The Clerk provides financial reports to council meetings. Councillors are provided with information to enable them to make informed decisions.

The Financial Scrutiny Panel has carried out a Financial Risk Assessment which was received and noted by the full Council meeting held on 7/4/2026 (Ref: 198).

Fidelity Cover: £1,000,000

The level of Fidelity cover is currently under review.

Transparency

Compliance with **Assertion 10**:

Website link: https://www.witham.gov.uk/

Privacy Policy published: Yes
Link:
https://www.witham.gov.uk/_files/ugd/ddf4e3_af83a80cf2ab41a1b2805e7396b57dbc.pdf

IT Policy in place: Yes
IT Policy published: Yes
Link:
https://www.witham.gov.uk/_files/ugd/ddf4e3_25d9c82e431c40649ead07a2302a4f1e.pdf

Contact details : 1 Hembling Terrace, Mill Lane, Suffolk, IP13 0PP
Tel: 07732 681125
Email: heather@heelis.eu

Heather Heelis Dip HE Local Policy FILCM
Lynne Lodge Dip HE Local Policy

Data Protection Policy in place: Yes
Data Protection Policy published: Yes
Link:
https://www.witham.gov.uk/_files/ugd/ddf4e3_65bc908df94e42a2afab2a17df2a54b2.pdf

It is noted that the Council have a suite of Data Protection documents containing different components of data handling. To enhance this, the Council would benefit from a separate GDPR Policy.

Recommendation: *to adopt a specific GDPR Policy.*

GDPR Data Map in place: Yes
Data Protection Policy published: Yes
Link:
https://www.witham.gov.uk/_files/ugd/ddf4e3_eae616f8ab5a4123a5a95e4dd6d0b056.pdf

Accessibility Statement in place: Yes
Accessibility Statement published: Yes
Link: https://www.witham.gov.uk/accessibility

Generic Council email addresses for officials in place: Yes

Under **The Accounts & Audit Regulations 2015 15** councils must publish on their website:

External audit report
2025 Annual Return, Section One Published – Yes
2025 Annual Return, Section Two Published – Yes
2025 Annual Return, Section Three Published – Yes

Under **The Accounts & Audit Regulations** councils must publish on their website:

Notice of period for the exercise of public rights (2025)
Published – Yes

Notice of Conclusion of Audit (2025)
Published – Yes

Period of Exercise of Public Rights

Publication Date: 2/6/2025 Start Date: 3/6/2025 End Date: 14/7/2025

Under the requirements of the **Accounts and Audit Regulations 2015 13(2b)** council are required to display AGARs for the five years 2020-21, 2021-22, 2022-23, 2023-24 and 2024-2025 on their website.

	Section 1	Section 2	Section 3 (Audited)
2020 - 2021	Yes	Yes	Yes
2021 - 2022	Yes	Yes	Yes
2022 - 2023	Yes	Yes	Yes
2023 - 2024	Yes	Yes	Yes
2024 - 2025	Yes	Yes	Yes

The Council have met the publication requirements.

Under the **Transparency code for smaller authorities**, smaller councils with income/expenditure over £200,000 should publish on their website from 1 April 2015:

Expenditure items over £500 (quarterly) published: Yes
Link: https://www.witham.gov.uk/payments-over-500

Procurement data published (contracts exceeding £5,000): Yes
Link:
https://www.witham.gov.uk/_files/ugd/ddf4e3_9eb28b7aab5444b59174b14ad74e7589.pdf

Grants awarded to voluntary, community or external bodies published: Yes
Link:
https://www.witham.gov.uk/_files/ugd/ddf4e3_2056e0398ff84bbb9e70d6957c529be5.pdf

Senior salaries (over £50,000) published: Yes
Link:
https://www.witham.gov.uk/_files/ugd/ddf4e3_88dbfe394995416799fba816d904bd3f.pdf

Land and car parks published: Yes
Link:
https://www.witham.gov.uk/_files/ugd/ddf4e3_531b55620afe4af7bbe1c524d3376730.pdf

Publication Scheme published: Yes
Link:
https://www.witham.gov.uk/_files/ugd/ddf4e3_a81d74acfb58402fa53e41ff1e3fc358.pdf

The Council have met the requirements of the Transparency Code for smaller councils with income/expenditure exceeding £200,000.

Budgetary controls Verifying the budgetary process with reference to council minutes and supporting documents

Precept: £1,037,265.74 (2025-2026) Date: 7/1/2025 (Ref: 154)
Precept: £1,112,027.00 (2026-2027) Date: 12/1/2026 (Ref: 152)

Effective budgetary procedures are in place. The precept was agreed in full council and the precept decision and amount has been clearly minuted. The Clerk ensures the council are aware of responsibilities, commitments, forward planning and the need for adequate reserves. Budget papers are prepared to ensure councillors have sufficient information to make informed decisions. Budgets are monitored during the year.

Income controls Precept and other income, including credit control mechanisms

All were found to be in order. Income controls were checked and a sample of income received and banked cross referenced with the Cash Book and bank statements.

Cash Associated books and established system in place

A satisfactory system is in place and supporting paperwork in place for cash payments. Audit trails were carried out on a sample of transactions and no irregularities were found.

Payroll controls PAYE and NIC in place where necessary.
Compliance with Inland Revenue procedures
Records relating to contracts of employment and pensions

PAYE System in place: Yes
Employer's Reference: 245/WW723
P60s issued: Yes

The Council continue to operate RTI in accordance with HMRC regulations. Payroll is outsourced. Supporting paperwork is in place and P60s have been produced as part of the year end process. An examination was undertaken on a sample of payroll documentation between November 2025 – March 2026. There were no irregularities found.

Eligible employees have joined the nominated pension scheme. The last date of re-declaration of compliance was 19/11/2024.

It is noted that the Council undertook a review of salaries at a meeting held on 3/11/2025 (Ref: 21).

Contracts of Employment and subsequent salary agreements are in place for all staff employed by the Council.

Asset control — Inspection of asset register and checks on existence of assets
Cross checking on insurance cover

A separate asset register is in place. Values are recorded at cost value. The total value of assets are recorded at £1,218,170.33. The figure in the asset register corresponds with the figure in Section 2, Box 9 of the AGAR.

Bank Reconciliation — Regularly completed and cash books reconcile with bank statements

All were in order. Bank Reconciliations are carried out regularly. The bank statements reconciled with the end of year accounts and bank reconciliations for all accounts.

Bank Balances at 31 March were confirmed as:

Lloyds Business	*xxxx2286*	*£21,462.52*
Lloyds Deposit	*95 Day*	*£101,763.75*
Unity Trust	*xxxx4430*	*£54,449.75*
Unity Trust	*xxxx5851*	*£400,456.15*
CCLA PSDF	*xxxx8237*	*£190,000.00*
Petty Cash		*£12.44*

The Council had no outstanding loans at the year end.

Reserves — General Reserves are reasonable for the activities of the Council
Earmarked Reserves are identified

The Council have adequate general reserves of £572,570 and have identified earmarked reserves of £355,776 in their year end accounts.

Year-end procedures — Appropriate accounting procedures are used and can be followed through from working papers to final documents
Verifying sample payments and income
Checking creditors and debtors where appropriate.

End of year accounts are prepared on an Income & Expenditure basis. Creditors and Debtors are identified within the year end accounts.

Balance Sheet is correct: Yes
Trial Balance is correct: Yes

Internal Audit Procedures

The 2025-2026 Interim Internal Audit report was considered by the Council at a meeting held on 12/1/2026 (Ref: 151).

A review of the effectiveness of the Internal Audit was carried out on 8/10/2025 (Ref: 124).

Heelis & Lodge were appointed as Internal Auditor at a meeting held on 13/5/2025 (Ref: 22).

Additional Comments/Recommendations

- There are no additional comments/recommendations to make in relation to this audit.
- I would like to take this opportunity to commend the Council on the community initiatives that have been undertaken during the year.
- I would like to record my appreciation to the Clerk to the Council for their assistance during the course of the audit work and the quality of documentation provided for the audit.

Heather Heelis
Heelis & Lodge
26 May 2026

Contact details : 1 Hembling Terrace, Mill Lane, Suffolk, IP13 0PP
Tel: 07732 681125
Email: heather@heelis.eu

Heather Heelis Dip HE Local Policy FILCM
Lynne Lodge Dip HE Local Policy

HEELIS&LODGE

Local Council Services • Internal Audit

www.heelisandlodge.co.uk

INVOICE

To:

Witham Town Council
Town Hall
Newland Street
Witham
Essex
CM8 2FE

Invoice No: HL9725	
Date: 26 May 2026	

Details	Quantity	Amount (£)	Total (£)
To carry out Year End Internal Audit for Witham Town Council for the year ended 31 March 2026	1	395.00	395.00
Total			395.00

Please make cheques payable to: H J Heelis

Bank Details: Account 92002930 Sort Code 40-47-80

NB Change to bank account details

Terms – 14 days

Thank you.

Contact details : 1 Hembling Terrace, Mill Lane, Suffolk, IP13 0PP
Tel: 07732 681125
Email: heather@heelis.eu

Heather Heelis Dip HE Local Policy FILCM
Lynne Lodge Dip HE Local Policy