

## **AUDIT, RISK AND GDPR COMMITTEE**

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### **INTERNAL AUDIT REPORT**

#### **ANNUAL GOVERNANCE AND ACCOUNTABILITY RETURN 2025/2026**

**5 MAY 2026**

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#### **1.0 Purpose of the Report**

1.1 My interim Internal Audit Report was considered at the Audit Risk and GDPR Committee on the 17 February. The internal audit of Section C of the AGAR return was not completed by 17 February as the council had not considered its Annual Review of the Effectiveness of the System of Internal Control produced by the Finance Manager and the Annual Review of Risks produced by the Corporate and Policy Officer.

1.2 Both of these documents were considered by full council on 11 March 2026, therefore, please see below for details of the Section C internal audit review.

1.3 In addition to the above, a new section has been inserted into the 2025/2026 Internal Audit Report of the 2025/26 AGAR. This new section, Section O, deals with the authorities compliance with laws, regulations & proper practices relating to digital and data compliance. Please see below for details of the assessment of the authorities compliance with Section O.

#### **2. SUMMARY OF OVERALL INTERNAL AUDIT**

2.1 The completion of the above sections concludes the 2025/26 Internal Audit Review.

2.2 Based on the summary of the overall control objectives examined (sections A to P of the Annual Internal Audit Report 2025/26) and the relevant internal audit checks undertaken I am of the opinion that the internal audit overall objectives have been met by Great Aycliffe Town Council.

2.3 I have therefore signed off the Annual Internal Audit Report 2025/26 internal control objectives document which will be reported to the Full Council in June as part of the Annual Governance and Accountability Report approval procedures prior to submission to the External Auditors for further examination and inclusion on the council's website for public notification before the legally required date of 30 June 2026.

Stephen Ragg  
Internal Auditor  
5 May 2026

**C THIS AUTHORITY ASSESSED THE SIGNIFICANT RISKS TO ACHIEVING ITS OBJECTIVES AND REVIEWED THE ADEQUACY OF ARRANGEMENTS TO MANAGE THESE.**

The Practitioners' Guide issued by the Smaller Authorities Proper Practices Panel (SAPPP) recommends the following to be assessed as part of this assertion.

- **Ensure that authorities have prepared, and formally adopted, at least once annually, an appropriate and comprehensive register of assessed risks, both regular and ad hoc.**

*The council has an appropriate risk register in place to identify and assess the adequacy of its risk related activities. This continues to be considered on a quarterly basis for high risks, half yearly for medium risks and on an annual basis for low risk items. Full council gets to consider and approve the Risk Register on an annual basis.*

*Any ad hoc risks identified in the quarterly meetings mentioned above are added to the register as they arise. Council is notified of any additions to the risk register.*

*For example, two risks were reported to the Audit, Risk and GDPR Sub Committee on 17 February 2026. They were agreed and the following amended risks were added to the risk register.*

*1. Failure to enhance security arrangements at annual Fireworks Display. Category: High risk downgraded to medium via various safety improvements at 2025 event.*

*2. Failure to mitigate Health and Safety Risks for the Santa Tours Event linked to continuing to run the event in the traditional touring format. Category: High risk mitigated by changing the event to the new hybrid format in 2025*

*Further reports of the Annual Review of the Effectiveness of the System of Internal Control produced by the Finance Manager and the Annual Review of Risks produced by the Corporate and Policy Officer continue to be produced. Both documents were submitted to and approved by council at the meeting held on 11 March 2026.*

*To avoid the risk of fraud and corruption the council has also introduced an Anti Fraud and Corruption Policy. This was last updated in 2022.*

- **Ensure that appropriate levels of insurance cover are in place for land, buildings, public, employers' and hirers' (where applicable) liability, fidelity/employees (including councillors) liability, business interruption and cyber security cover.**

*The cover sought through a broker (James Hallam) appears to be appropriate for the council's requirements.*

*The latest council insurance arrangements were considered in a report submitted to the Annual Meeting of the Council on 14 May 2025. The council was in a three year rate stability agreement which ran until June 2025. A report was taken to council on 12 June 2024 extending this stability agreement to June 2027.*

*The main tender insurance was arranged by broker James Hallam with Aviva being appointed to provide cover for land, buildings, employers and hirers liability, fidelity/employees (including councillors) liability and business interruption. This arrangement remains operational for 2025/26.*

*In addition to the main Aviva contract the council also has separate policies arranged by broker James Hallam for*

- *Vehicle insurance - Equity Red Star*
- *Events insurance is provided through Watford Insurance Company Europe Limited*

*Further independent policies exist for:-*

- *Green fee payers on the golf course through Golf Guard*
- *Play equipment inspection through The PlayGround Company*

*Importantly, Cyber security insurance measures are recognised as being required and are in the investigative stage of provision with the councils insurance brokers.*

- **Ensure that appropriate arrangements are in place for monitoring play areas, open spaces and sports pitches: such reviews should be undertaken by appropriately qualified external inspectors or, if by officers or members, that they have received the appropriate training and accreditation.**

*Annual Independent play area inspections continue to be carried out by The Play Inspection Company. This in depth report is retained by the Works and Environment Manager. This independent playground inspection is part of the council's insurance arrangements.*

*In addition to this, weekly inspections continue to be carried out by RPII qualified council staff. Bi weekly visual inspections are carried out by park patrol maintenance staff. All of these reports are recorded and stored in the works depot.*

*Sports pitches and their goal posts have an in depth check on a monthly basis and a more informal check is done weekly as part of the weekly play area checks. Visual maintenance inspections are carried out by maintenance staff during pitch marking and cutting of grass. Records are kept in the works depot. Sample records were sighted during the course of the audit.*

*Trees on open space land are inspected independently by a qualified Arboriculturalist and because of ash dieback this is now carried out on an*

*annual basis. An in depth report is provided by the Arboriculturist which is retained by the council's Works and Environment Manager. I have witnessed a copy of this independent report. As an added check the works manager undertakes 6 monthly checks on really susceptible trees.*

*The council has also adopted a Tree Management Policy.*

- **Review the effectiveness of internal control carried out by the authority.**

*Regulation 3 of the Accounts and Audit Regulations 2015 requires the council to have in place "a sound system of internal control which facilitates the effective exercise of its functions and the achievement of its aims and objectives, ensures that the financial and operational management of the authority is effective and includes effective arrangements for the management of risk.*

*In addition Regulation 6 requires the Council "to conduct an annual review of the effectiveness of its system of internal control"*

*Section 1 Annual Governance Statement (subsection 5) of the Annual Governance and Accountability Return requires the council to carry out an assessment of the risks facing this authority and take appropriate steps to manage these risks including the introduction of internal controls and or external insurance cover where required."*

*For the 2024/25 AGAR return, this assertion was ticked as being met by the council.*

*As previously mentioned an Annual Review of the Effectiveness of the Council's system of Internal Control was reported and approved at the full Council meeting held on 11 March 2026.*

**I AM OF THE OPINION THAT GREAT AYCLIFFE TOWN COUNCIL HAS MET THIS CRITERIA AND CAN THEREFORE CERTIFY THE INTERNAL AUDIT REPORT (PAGE 3) ACCORDINGLY.**

## **O. THE AUTHORITY COMPLIED WITH LAWS, REGULATIONS & PROPER PRACTICES RELATING TO DIGITAL AND DATA COMPLIANCE.**

The Practitioners' Guide issued by the Smaller Authorities Proper Practices Panel (SAPPP) recommends the following to be assessed as part of this assertion.

- **Ensure local authority has, as a minimum, a single generic email address on an authority owned domain.**

*The council owns and has a registered townclerk@[great-aycliffe.gov.uk](mailto:townclerk@great-aycliffe.gov.uk) domain.*

*The council uses a generic [info@great-aycliffe.gov.uk](mailto:info@great-aycliffe.gov.uk) email address which is their preferred means of contact by members of the public.*

*In addition to the above, every staff member has been allocated a [firstname.secondname@great-aycliffe.gov.uk](mailto:firstname.secondname@great-aycliffe.gov.uk) email address - as have all individual councillors.*

- **Check that website accessibility has been tested, at least annually, and that the accessibility statement has been updated as required.**

*Great Aycliffe Town Council's Corporate and Policy Officer carried out a website accessibility check using readily available software. This flagged a number of accessibility items, for example, some contrast errors, alerts on "Headings" and redundant title texts.*

*The website developers used by the council were contracted regarding these accessibility items and have taken the necessary action to address the flagged items. In addition to the flagged items the website has been adjusted to greatly improve the navigability of the main menu for keyboard users and improved the main content landmarks which helps screen readers that read the contents of the webpage.*

*WCAG 2.2 AA was used as a guideline for completing the above work.*

*On 4 February 2026 the councils consultant advised that the above changes help the webpages achieve a score of 100 using Google Dev tools.*

- **Check when the authority last completed a data audit.**

*A personal data audit was carried out by the councils' Corporate and Policy Officer in January 2026. This identified details of the personal paper records held by the council.*

*The audit was based on the Document Retention and Disposal Policy last approved by council in March 2025. Data was itemised on a spreadsheet showing the type of personal data retained, the purpose for retention, how it*

*was obtained, what the condition for processing was (for example a legal requirement), who has responsibility for processing the data, where it is kept, what security measures are in place during retention and for how long it is kept.*

*A spot check was undertaken to ensure the retention period agrees with the Document Retention and Disposal Policy agreed by council.*

*The other supportive document used during the data audit was the councils Model Publication Scheme which identifies what information is available to the general public, how it can be accessed (e.g. online or paper copy) and whether there is any charge for obtaining the information required.*

- **Ensure the authority has prepared and formally adopted a data protection policy that is reviewed at least once annually.**

*The council has an appropriate Data Protection Policy in place. On 21 January 2026 the Policy and Resources Committee reconsidered and approved the following document-*

- **General Data Protection Regulation Policy** (effective from October 2021 and last reviewed January 2026)

- **Ensure the authority has an up to date IT policy in place.**

*The council has an appropriate IT, Computer & Communications - Acceptable Use Policy in place. On 21 January 2026 the Policy and Resources Committee reconsidered and approved the following document-*

- **IT, Computer & Communications - Acceptable Use Policy** (effective from April 2022 and last reviewed January 2026)

**I AM OF THE OPINION THAT GREAT AYCLIFFE TOWN COUNCIL HAS MET THIS CRITERIA AND CAN THEREFORE CERTIFY THE INTERNAL AUDIT REPORT (PAGE 3) ACCORDINGLY.**