



EDITH WESTON PARISH COUNCIL

24 Coniston Road, Edith Weston LE15 8HP

10th April 2025

Attention Keith Reid, LRALC Internal Auditor

Dear Mr Read,

Appointment of internal auditor

I have been instructed by my Parish Council to request that the Leicestershire and Rutland Association of Local Councils (LRALC) carry out our internal audit for the financial year 2024-2025. You have been identified by LRALC as the internal auditor who will carry out this task. The purpose of this letter is to set out the terms on which you are engaged, and the respective responsibilities of the council and yourself as internal auditor.

Annual agreement

My council is aware that appointment of LRALC to provide an internal auditor is made as an annual agreement with automatic renewal and that LRALC requires twelve months' notice to terminate this agreement. My council accepts that responsibility for the selection of the internal auditor lies with LRALC who may ask a returning or new internal auditor to carry out the internal audit.

Roles and responsibilities

Members of the council should understand that they are responsible for ensuring that the council maintains proper accounting records together with an appropriate system of internal control. Council is responsible for the preparation and publication of Accounting Statements and an Annual Governance Statement (AGS) to facilitate the completion of the Annual Governance and Accountability Return (AGAR).

The internal auditor is responsible for reporting to this parish meeting on the governance, financial practices and procedures, and the adequacy and effectiveness of systems of internal control for the period 2024-2025. It would be incorrect to view internal audit as the detailed inspection of all records and transactions of an authority to detect error or fraud. This report from an internal auditor is based on the evidence made available to them at the time.

Independence

By signing this agreement, the internal auditor confirms that they are competent and independent of the council as required by the Smaller Authorities Proper Practices Panel (SAPPP) *Practitioners Guide* section 4. The internal auditor will confirm to council and LRALC in writing if these circumstances change or if they become aware of issues that may affect their independence.

Scope of audit and reporting requirements and access to information

The council requires the internal auditor to

- scrutinise the council website and other records relating to the financial year 2024-2025.

- meet with the Proper Officer, Responsible Financial Officer (RFO) or other council officers as required.
- complete the Annual Internal Audit Report (AIAR) of the AGAR.
- provide the council with a written report upon completion of the audit.

The internal auditor will have full access to all council documentation, staff and councillors as considered necessary. The internal auditor will pay full regard to the guidance on internal audit as set out in the most recent edition of the Joint Panel on Accountability & Governance *Practitioners' Guide*.

Following delivery of the AIAR and written report, the internal auditor may be contacted by council for further information or to make corrections or amendments to the report as required. The internal auditor may be contacted by the external auditor through the council for clarification on any matter raised within the report. The internal auditor's involvement with this council will cease once the report has been accepted by council until such point as they are reappointed as internal auditor for a subsequent year, if this should be the case. Any subsequent request from the council for support to address issues raised in the internal audit should be made directly to LRALC.

All contact and correspondence between the council and the internal auditor will be channelled through the Proper Officer and/or the RFO. Attempts to contact the internal auditor or LRALC with regard to this internal audit by anyone else will be referred immediately to the council and LRALC.

Costs to council for the internal audit

The cost to the council is as published and updated each year by LRALC. The council agrees to pay the invoice to LRALC promptly in accordance with Financial Regulations. If the internal audit cannot be completed before the statutory deadline because of a situation within the council, or if complications become apparent that greatly increase the workload of the internal auditor, LRALC reserves the right to charge an additional cost to the council on top of the agreed fee.

Meetings between the internal auditor and representatives of the council may be held remotely or face to face by agreement between the council and internal auditor. Face to face meetings will require an additional cost to the council to cover travelling by the internal auditor at 45p per mile. This will be invoiced separately to the council by LRALC following delivery of the internal audit report.

Minute references to support this appointment

- Section 4.11 of the *Practitioners' Guide* requires that the independence of the appointed person or firm should be reviewed each year.
- Section 5.103 requires that authorities consider the reports from internal and external auditors and what action, if any, is required to address comments or recommendations.

To assist the internal auditor, resolutions and minute references relating to these matters are provided here:

4.11 Resolution(s) to appoint or re-appoint and review independence of internal auditor	
It was resolved to accept the personal, financial and professional independence of LRALC and the internal auditor selected by LRALC for this purpose. It was resolved that LRALC be re-engaged to provide an internal audit for the financial year 2024-2025.	
Date of council meeting	22 nd April 2025
Minute reference	013/25

5.103 i Resolution(s) associated with consideration of the report from the internal auditor for 2023-2024 and steps taken to address comments or recommendations	
It was resolved to accept the Internal Auditor's Report and recommendations arising from the Internal Auditor's report.	
Date of council meeting	20 th May 2024
Minute reference	027/24
5.103 ii For councils subject to a Limited Assurance Review Resolution(s) associated with the report from the external auditor for 2023-2024 and steps taken to address comments or recommendations	
The signed External Audit Report from Moore was accepted and approved as presented.	
Date of council meeting	23 rd September 2024
Minute reference	088/24

Members of council should be made aware that failure to consider these matters as required may result in a No response to assertion C in the AIAR. If this is the case, this will require a No response on the relevant lines of the Annual Governance Statement for 2024-2025.

Agreement of terms

The internal auditor will confirm their agreement to the terms set out in this letter by signing and returning the enclosed copy. Once this has been received by council and LRALC, the internal auditor can start their scrutiny and arrange to meet as required.

Yours sincerely,



Sara Glover
Clerk to the Council

For Internal Auditor to complete

I confirm that I have read and understood the contents of this letter and agree that it accurately reflects my fair understanding of the services that I am required to provide.

I confirm that I am competent as required by the Smaller Authorities Proper Practices Panel (SAPPP) *Practitioners Guide*.

I confirm that I am independent of the Authority being audited as required by the *Practitioners Guide*. I confirm that I have no connection that will conflict with my role as internal auditor. I confirm that I am not involved in any aspect of decision-making, management or control of the Authority.

I will not start work on scrutinising the website or documents provided by this Authority until a completed letter of engagement is received by the Authority and LRALC.

[Click or tap to enter a date.](#)

Name of Authority for which this Internal Audit is provided:

[Choose an item](#)

Name of auditor

Signed

Signed copy to be returned by the internal auditor to the town or parish council cc LRALC before scrutiny of website and other documents commences