



Minutes of the Finance and Governance Toolkit Committee which was held by remote means at 7.00 pm on 13th February 2023 in accordance with The Local Government and Elections (Wales) Act 2021

| | |
|---------------------------------|---|
| Present: | |
| Chairman | To be elected |
| Councillors: | J Culley, R Davies, A Edwards, C Wychwood |
| County Cllr | |
| Clerk | Sue Davies |
| Members of the public and press | 0 |

1. Election of Chairman

| | |
|---|---------|
| RESOLUTION | |
| That Cllr J Culley be elected Chairman. | Carried |

2. Apologies for Absence / Ymddiheuriadau am absenoldeb

None.

3. Declarations of Interest on Matters Arising from the Agenda/Datgan Diddordeb ar faterion sy'n codi o'r Agenda

None.

4. Confirmation of Order of the Agenda and identification of any items that might be resolved for confidential session

The agenda was accepted as presented.

5. To examine part one of the Toolkit and identify areas for further work.
It was agreed to review any items in Part 1 which the Clerk had identified as 'No' or queried.
Agreed actions were noted (see appendix A).

6. Date of Next Meeting –13th March 2023

There being no further business to discuss the meeting closed at 8.30pm

Appendix A

Theme A – Vision, purpose and community planning

A community and town council provides community leadership. In exercising this role it will benefit from having a clear vision for its community, developed in partnership / consultation with all sections of the community. This will inform council plans, budgets and activities to ensure the council best works with and in the interests of the community.

Statutory obligation

Theme A – Vision, purpose and community planning

| Statement | In place? (Yes/No) | Further information | Comments and actions |
|---|-----------------------|---|---|
| The council has a clear vision and plan for its community | | | |
| A.1 A vision and purpose statement has been agreed by the council | No | Having a clear vision and purpose agreed by all members will help your council in achieving for its community. | Vision Clerk to send out outline for various 'levels and complexity' |
| A.2 The council has prepared and published a biodiversity plan and reports on the actions taken to improve biodiversity and promote ecosystem resilience every three years. | Yes | Environment (Wales) Act 2016, Section 6 Councils have a duty to maintain and enhance biodiversity in the exercise of its functions, and must prepare and publish a plan setting out what it proposes to do and report on the actions taken to improve biodiversity and promote ecosystem resilience every three years. See Introduction to the Section 6 Biodiversity and Resilience of Ecosystems Duty ; Environment (Wales) Act 2016 Part 1: Guidance for Section 6 – the Biodiversity and Resilience of Ecosystems Duty ; Frequently Asked Questions ; The Section 6 Biodiversity and Resilience of Ecosystems Duty: reporting guidance ; The Section 6 Biodiversity and Resilience of Ecosystems Duty: reporting requirement | Committee agenda |

Theme A – Vision, purpose and community planning

| Statement | In place? (Yes/No) | Further information | Comments and actions |
|---|-----------------------|--|--|
| | | <p>frequently asked questions; The Section 6 Biodiversity and Resilience of Ecosystems Duty: reporting template; and The Section 6 Biodiversity and Resilience of Ecosystems Duty: example reporting template.</p> <p>Example plans and reports from the first reporting round: Abertillery and Llanhilleth Community Council; Llanfoist Fawr Community Council</p> | |
| A.3 The council has completed an annual report on progress in meeting objectives contained in the local well-being plan | N/A | <p>Well-being of Future Generations (Wales) Act 2015 – Section 40 places a duty on certain community and town councils to take all reasonable steps towards meeting the objectives included in the local well-being plan that has effect in their areas. A community or town council is subject to that duty only if its gross income or expenditure was at least £200,000 for each of the three financial years preceding the year in which the local well-being plan is published.</p> | <p>Legislatively not required other than to reference the overarching principles. Clerk to send links to full and CCC wellbeing information. Committee agenda</p> |
| A.4 The council has prepared an annual report | Yes | <p>Local Government and Elections (Wales) Act 2021 – Section 52 From April 2022 community and town councils have a duty to prepare and publish a report about the council's priorities, activities and achievements. Statutory guidance has been issued on the duty to prepare and publish an annual report.</p> | |

Theme B – Leadership and people

The council should respect the values of openness and transparency and adhere to, and model, the behaviours and standards set for all councillors as contained in the code of conduct. In leading its community, the council should be committed to enhancing its capability and capacity as is commensurate with its range and scale of operations.

Employees are the principal asset of any council and it is important that they are given the trust and respect to perform their roles to their maximum ability within a safe working environment. Training and development of employees is vitally important as well as having appropriate systems in place to provide adequate reward, recognition and accountability within a framework of effective employment policies.

Statutory obligation

Theme B – Leadership and people

| Statement | In place (Yes/No) | Further information | Comments and actions |
|--|-------------------|--|--|
| The council provides leadership to its members and staff | | | |
| B.1 The council has adopted a code of conduct | Yes | The Code of Conduct for members of local authorities in Wales: Guidance from the Public Services Ombudsman for Wales | |
| B.2 All councillors have signed a formal declaration of acceptance of office | Yes | The council should formally record in minutes that they have adopted a code of conduct based on the model code of conduct. A formal declaration of acceptance of office must be signed before an individual is able to act as a member of a community and town council. | |
| B.3 All councillors have been provided with a copy of the council's adopted code of conduct | Yes | | |
| B.4 All councillors have a council email address or a separate email address for council business | No | | .gov email address to be costed but with view to inclusivity and equality. Full Council |
| B.5 All councillors have received training on their role and training needs are regularly reviewed | No Yes | One Voice Wales, Planning Aid Wales and principal councils provide a range of opportunities for training of members in relation to their roles. The council must develop a training plan and maintain a record of training received. A training plan template is available to One Voice Wales members on request. | Training agenda item Full Council Skills assessment filled in at full Council Use of Hall IT room to provide access to online training. |
| B.6 All payments to councillors are made in line with the levels set out by the | Yes | The Independent Remuneration Panel for Wales Annual report and guidance on payments to elected members is available on its website. | |

Theme B – Leadership and people

| Statement | In place (Yes/No) | Further information | Comments and actions |
|---|-------------------|--|--|
| Independent Remuneration Panel for Wales | | | |
| B.7 A statement of payments to councillors is published by 30 September each year detailing payments made to elected members in the previous municipal year | Yes | Community and town councils must publish a statement of payments detailing all payments made to elected members in the previous municipal year. Nil returns must also be reported. See Independent Remuneration Panel for Wales guidance . | |
| The council carries out its employment duties | | | |
| B.8 All employees have a written employment contract setting out the terms of their employment | Yes | See ACAS – What an employment contract is One Voice Wales and SLCC have model contracts of employment for clerks which are available to members. | |
| B.9 All employees have an up-to-date job description | Yes | One Voice Wales and SLCC can provide guidance to member councils in relation to the preparation of a job description and person specification. | |
| B.10 Any changes to terms and conditions, including salary increments, are recorded and approved by the council | Yes | Councils must ensure that all changes to terms and conditions are properly approved and recorded. | |
| B.11 All staff have been given a copy of the employee code of conduct | Yes | The Code of Conduct (Qualifying Local Government Employees) (Wales) Order 2001 | |
| B.12 The council has core employment policies in place, for example:- | | One Voice Wales and SLCC can provide member councils with a suite of policies and procedures. The ACAS website also contains a range of model policies and procedures | In red Council policy will be to take up to date advice from OVW, ACAS or HR advisor conversant with the sector. Existing policies on website Clerk to supply drafts in due course. Equality and inclusion Committee agenda item. |
| <ul style="list-style-type: none"> • Adoption and Paternity Policy • Health and Safety at Work Policy • Maternity Leave Policy | | | |

Theme B – Leadership and people

| Statement | In place (Yes/No) | Further information | Comments and actions |
|---|-------------------|--|----------------------|
| <ul style="list-style-type: none"> • Capability Policy • Annual Leave Policy • Appraisal Scheme • Bullying and Harassment • Code of Conduct for Employees • Dignity at Work Policy • Discipline and Grievance Policy and Procedure • Training policy • Equality and Diversity Policy • Alcohol, Drugs and Substance Misuse Policy • Member / Officer Relations Protocol • Recruitment Procedure • Attendance Management Policy • Stress Management Policy • Time off in Lieu Policy • Whistleblowing Policy | | | |
| B.13 The council is registered as an employer with HMRC | Yes | <p>All councils must operate PAYE unless no staff:-</p> <ul style="list-style-type: none"> • earn above the lower national insurance threshold; and • have any other source of income. <p>In practice, this means that very few clerks, even of</p> | |

Theme B – Leadership and people

| Statement | In place (Yes/No) | Further information | Comments and actions |
|--|-------------------|---|------------------------------------|
| B.14 All overtime payments are paid through the normal payroll process and subject to PAYE | Yes | small councils, will fail to be exempt from PAYE. Other sources of income include income from pensions as well as other employments. See GOV.UK PAYE and payroll for employers All additions to salary must be subject to PAYE | |
| B.15 Any additional allowances paid to staff are subject to tax where appropriate | Yes | Fixed sum allowances for home working are limited by HMRC . Payments above this amount are taxable and should be taxed through PAYE or entered onto a P11D return. Mileage payments are also subject to tax when they exceed mileage allowances specified by HMRC – currently 45p per mile. | |
| B.16 The council complies with pensions legislation | Yes | See The Pensions Regulator website | |
| The council gives its staff the resources and support to carry out their role | | | |
| B.17 All staff have received appropriate training for their role | Yes | The council must develop a training plan and maintain a record of training received. A training plan template is available to One Voice Wales members on request. | See published training plan |
| B.18 All staff have council email addresses and access to council IT systems | Yes | Council staff should not use personal email addresses for council communications, or save council documents to personal computers, for reasons of information security. | |

Theme C – Community engagement and partnerships

Community and town councils play an active role in engaging, involving and consulting with their communities. An effective council understands its community's (people and places) needs and desires, and knows the positive difference it is making. Councils should aim to ensure that no one feels disadvantaged, and that all groups within the community are engaged.

A partnership is an agreement to do something together that will benefit all involved, bringing results that could not be achieved by a single partner operating

alone and reducing duplication of efforts. Partnership working allows services to be delivered in a joined-up way, such as through shared goals and/or sharing resources.

Statutory obligation

Theme C – Community engagement and partnerships

| Statement | In place (Yes/No) | Further information | Comments and actions |
|---|-------------------|---|---|
| The council engages with its community | | | |
| C.1 The council has an agreed community engagement strategy | No | A community engagement strategy sets out how the council will understand its community, involve the community in their work and communicate with their electors. | The Council engages with the community in many ways but needs to address the needs of those who are difficult to reach and do not have access to the internet. It is impossible to provide for the needs of all. Committee agenda item to identify strengths and weaknesses. See above |
| C.2 The community engagement strategy is reviewed periodically | | | |
| C.3 The council complies with the requirements of the Welsh Language (Wales) Measure 2011 | Yes | The council is expected to treat the Welsh language reasonably and proportionately in its dealing with the public. A scheme endorsed by the Welsh Language Commissioner sets out the principle, context and use of the Welsh Language and how it is applied to council activities and in the workplace. Welsh Language (Wales) Measure 2011, Part 4 Chapter 1: Duty to comply with standards – Welsh Language Commissioner – The Welsh Language Measure | The act requires that Council provision is proportional and it is currently looking into using more Welsh. It appears that the technology may not be readily available for hybrid meetings. Ongoing at full Council. |
| C.4 The council makes provision to translate documents when required | Yes | | |
| The council communicates with its partners and community | | | |
| C.5 The council has an electronic presence / website | Yes | A community or town council must make certain information available electronically as set out in the | |

Theme C – Community engagement and partnerships

| Statement | In place (Yes/No) | Further information | Comments and actions |
|---|----------------------|--|----------------------|
| C.6 The council publishes electronically | Yes | Local Government (Democracy) Wales Act 2013 section 55 and associated guidance. See Welsh Government Statutory Guidance: Access to Information on Community and Town Councils | |
| a) Information on how to contact it and, if different, its clerk including— <ul style="list-style-type: none"> • a telephone number • a postal address • an email address | | Schedule 4 of the Local Government and Elections (Wales) Act 2021 includes changes to the Local Government Act 1972 relating to community council notices e.g. giving notice of meetings and their arrangements and the issuing of a short note within 7 days of council meetings. These should be read in conjunction with section 55 of the Local Government (Democracy) (Wales) Act 2013, which requires community councils to make available electronically certain information and documents (including minutes of meetings). | |
| b) information about each of its members, including— <ul style="list-style-type: none"> • the member’s name • how the member may be contacted • the member’s party affiliation (if any) • the ward which the member represents (where relevant) • any office of the council held by the member • any committee of the council to which the member belongs | | | |
| c) the minutes of the proceedings of the council’s meetings and (in so far as is reasonably practicable) | | | |

Theme C – Community engagement and partnerships

| Statement | In place (Yes/No) | Further information | Comments and actions |
|---|-------------------|---|--|
| any documents which are referred to in the minutes | | | |
| d) any audited statement of the council's accounts | | | |
| C.7 The council has a social media policy published on its website | Yes | | |
| C.8 The council has an agreed process for handling complaints which is published on its website | No | See model complaints handling process available from the Complaints Standards Authority Public Services Ombudsman Wales has legal powers to look into complaints about public services | Clerk to find draft policy Committee agenda item. |

Theme D – Business processes

A process is a series of actions or steps taken to achieve a particular end. A well-run and well-managed council will have clearly defined processes in place for key areas of business. These processes give an overall structure for decision-making designed to:

- ensure compliance with legislative requirements;
- deliver consistent outcomes or results; and
- mitigate against risk by ensuring tasks are performed correctly.

Business processes are likely to be key indicators of the strength of financial management and governance arrangements of a community or town council. The following will support your council to reflect on areas where typically a council has established processes in place, and help you determine if you need to introduce new or different processes.

Statutory obligation

Theme D – Business processes

| Statement | In place (Yes/No) | Further information | Comments and actions |
|---|-------------------|--|----------------------|
| The council operates high standards of accountability and governance in an open and transparent way | | | |
| D.1 The council has a set of standing orders to help govern the conduct of meetings, which is published on its website | Yes | Councils are subject to arrangements relating to the conduct of meetings and making decisions as set out in the Local Government Act 1972 , in particular Schedule 12 . The Local Government and Elections (Wales) Act 2021 made amendments to Schedule 12 of the 1972 Act which councils will also need to be aware of, see in particular Schedule 4 to the 2021 Act . In addition, it is strongly recommended that a council has its own standing orders. One Voice Wales and SLCC can provide model standing orders to member councils. Councils must have standing orders with respect to contracts for the supply of goods and materials or the execution of works (see Local Government Act 1972, s135). | |
| D.2 Councillors' declarations of personal and prejudicial interests are recorded in the minutes and published on a separate rolling register on its website | Yes | See The Code of Conduct for members of local authorities in Wales: Guidance from the Public Services Ombudsman for Wales | |
| D.3 The council has published a schedule of meetings on its website | Yes | Having an annual cycle of council and committee meetings in place to expedite business arrangements supports local democracy and demonstrates transparency and public accountability. | |
| D.4 The council holds an annual meeting in May | Yes | See Local Government Act 1972, Schedule 12, Part IV, section 23 Note also the duty to hold an annual meeting within 14 days of an ordinary election of community councillors. The chairman should sign a declaration of acceptance of office. | |

Theme D – Business processes

| Statement | In place (Yes/No) | Further information | Comments and actions |
|--|-------------------|--|--|
| D.5 The council has clearly defined terms of reference (as appropriate) in place where it discharges functions to standing committees. The terms of reference should be published on the council's website | Yes | See Local Government Act 1972 section 101 | Agreed on a need basis for committee and items delegated to the Clerk and two Cllrs |
| D.6 The council publishes all agendas and supporting background papers on its website at least three clear days before the meeting. | Yes | See Local Government Act 1972, Schedule 12, Part IV, section 26 | |
| D.7 Councillors are served with a summons and receive copies of agenda papers and draft minutes at least three clear days before the meeting | Yes | See Local Government Act 1972, Schedule 12, Part IV, section 26 | |
| D.8 Members of the press and public are permitted access to council meetings and are supplied with copies of the agenda papers | Yes | See Public Bodies (Admission to Meetings) Act 1960 , and amendments to that Act provided for in Schedule 4 of the Local Government and Elections (Wales) Act 2021 | Advertised on website and on notice board. All agendas and papers can be downloaded. Council has a minimum print policy for its meetings. |
| D.9 The council publishes all council / committee / subcommittee minutes on its website | Yes | See Welsh Government Statutory Guidance: Access to Information on Community and Town Councils Schedule 4 of the Local Government and Elections (Wales) Act 2021 includes changes to the Local Government Act 1972 relating to community council notices e.g. giving notice of meetings and their arrangements and the issuing of a short note within 7 days of council meetings. These should be read in conjunction with section 55 of the Local Government (Democracy) (Wales) Act 2013, which requires | |

Theme D – Business processes

| Statement | In place (Yes/No) | Further information | Comments and actions |
|--|-------------------|---|---|
| D.10 The council makes and publishes arrangements for multi-location attendance at community and town council meetings | Yes | community councils to make available electronically certain information and documents (including minutes of meetings). See Local Government and Elections (Wales) Act 2021 section 47 and chapter 2 of The Local Government and Elections (Wales) Act 2021: Statutory Guidance for Community and Town Councils | |
| D.11 The council has approved scheme of delegations to committees and the clerk and these are published on its website | As needed | These must provide clear terms of reference for areas of responsibilities for committees and to facilitate the clerk taking urgent decisions between the cycles of meetings. | As delegation to Clerk is agreed on an ‘ad hoc’ basis other than detailed in SO and FR (which are on website) this is included in the minutes. First Committee to take place on 13th Feb 23 and it has a clear remit which will be incorporated into the minutes. |
| D.12 The council has a documented constitution describing its general governance arrangements | Yes | A council constitution sets out the rules governing the council’s business and how it operates and enhances local accountability and transparency. An example of a council constitution can be found on Lamella Rural Council’s website . | Covered by SO and FR which are published. Could be a longer term commitment to produce and bring all this information into one reference document, including Council structure etc. for Mop’s. |
| D.13 The council produces and approves an annual business plan | Yes | | The Council budget is detailed and in places aspirational for projects. Proportional to the Council and its finances and capability. |
| D.14 The council has a freedom of information publication scheme | Yes | The council must have documentation in place in order to comply with the Freedom of Information Act 2000 – Duty to have a publication scheme The Information Commissioner’s Office has produced a Freedom of Information self-assessment toolkit | |
| D.15 The council has a current information and data protection policy, which is | Yes | The council must comply with the Data Protection Act 2018 and General Data Protection Regulation 2018 (GDPR). The Information Commissioner’s Office has | Ties in with use of .gov emails See also equality and inclusion |

Theme D – Business processes

| Statement | In place (Yes/No) | Further information | Comments and actions |
|---|-------------------|---|--|
| published on its website. | | published a guide to Data Protection and a guide to GDPR on its website. The Information Commissioner's Office has a checklist to help comply with data protection responsibilities The Information Commissioner has produced a checklist ' How secure is your personal data? ' A Data protection self-assessment is available on the Information Commissioner's Office website. | |
| D.16 The council has completed and met the requirements of the Information Commissioner's data protection self-assessment checklist for organisations | Yes | | |
| D.17 The council has a current IT Information Security Policy, which has been issued to councillors and staff | No | | In order to safeguard the Council and individual Cllrs needs to be addressed. See also inclusion and equality. Committee agenda item |
| D.18 The council has a suite of privacy notices published on its website, email communications and other forms of client correspondence | Yes | Model policies and privacy notices available to members from One Voice Wales and the SLCC. | |
| D.19 The council has performed a data audit to assess what information it holds | Yes | | |
| D.20 The council has a document retention policy published on its website | Yes | | Has document will add to website. |
| D.21 The council periodically purges information which it | Yes | | |

Theme D – Business processes

| Statement | In place (Yes/No) | Further information | Comments and actions |
|---|-------------------------|--|---|
| no longer needs to keep D.22 The council keeps information disposal records | No | | Detail not proportional to staff availability |
| D.23 The council has published an accessibility statement on its website and undertakes periodic reviews to ensure that the website remains compliant | Yes | See The Public Sector (Websites and Mobile Applications) Accessibility Regulations 2018 See Understanding accessibility requirements for public sector bodies | |
| D.24 The council has a business continuity plan to help it continue to function should it encounter loss or damage to property | No | One Voice Wales can supply a selection of model policies to member councils on a consultancy basis. | To be developed See also recruitment procedure to be developed |
| D.25 The council has an emergency plan to help support community resilience and which has been shared with the Emergency Planning Authority | Resilience group | | |
| The council fulfils its duties and responsibilities in regard to health, safety and welfare | | | |
| D.26 The council has an extant Health and Safety Policy Statement and associated procedures | No | Employers must: Provide a safe working environment for employees and all other persons affected by its actions, including contractors and members of the public. Employees must: Act in accordance with the council's Health and Safety | Under 5 employees N/ A |

Theme D – Business processes

| Statement | In place (Yes/No) | Further information | Comments and actions |
|--|-------------------|--|---|
| | | policy and supporting procedures and comply with all statutory regulations and Health and Safety legal requirements. | |
| | | See Health and Safety Executive website | |
| D.27 There is an annual budget in place to meet health and safety requirements | ?? | | Level of commitment when sole employee works from home |
| D.28 The council has documented risk assessments in place and performs regular reviews (at least annually) of all its risk assessments to identify hazards and the adequacy of existing control measures across all activities and service areas | Yes | | Only financial gets annual review. No significant risk change for other locations. |
| D.29 The council has developed internal systems to manage the control measures set out in the risk assessments relating to council property and activities, and produces an annual action plan which is reviewed and reported to council | No | | |
| D.30 The council has an accident report book and related investigation procedures | Yes | | Report book, no procedures |
| D.31 The council has a stress management policy | No | | Draft policy to be provided |

Theme D – Business processes

| Statement | In place (Yes/No) | Further information | Comments and actions |
|---|------------------------------|---|--|
| D.32 The council has a stress risk assessment | No | | Draft policy to be provided |
| D.33 The council facilitates and controls community events and has an events management plan to consistently regulate event activities safely | No | | All evaluated and RA produced for each event. If large events to be organised then an overarching management plan may be required. |
| The council understands how to manage its assets and facilities | | | |
| D.34 The council maintains a register of its assets | Yes | The Accounts and Audit (Wales) Regulations 2014, regulation 6 , requires the council to keep a record of all assets and liabilities held by the council. | |
| D.35 The council periodically examines and risk assesses its assets and prepares maintenance / repair plans | Yes | Councils need to ensure that their community based assets are safe for use by councillors, officers and the public. | |
| D.36 The council prepares a business case before entering into the acquisition of large value assets | It would if in that position | Councils should ensure that they fully understand the implications and effects of acquiring assets. These may incur ongoing maintenance and running costs and may require the council to borrow money to finance the projects. Welsh Government guidance - Borrowing approvals: guidance for community and town councils | |
| D.37 The council has adequate insurance cover to protect employees, buildings, other property, cash and members of the public. | Yes | Insurance must be in place to cover employees, members of the public, all buildings, contents and events. Insurance documents should be circulated and approved by full council. Certificates of insurance must be displayed in a | Updated info to insurers 2022 |

Theme D – Business processes

| Statement | In place (Yes/No) | Further information | Comments and actions |
|-----------|-------------------|---|----------------------|
| | | prominent position at all council premises. | |

Theme E – Resources and financial management

Community and town councils are entrusted with management of public funds and assets. All councils should have appropriate financial governance arrangements in place to ensure the security of these resources and to ensure that they achieve economy, efficiency and effectiveness in the use of those resources.

This theme considers the arrangements the council has put in place to manage its resources and covers both assets held and the council's finances. The questions here will provide confidence that the statutory and non-statutory procedures for good financial management are in place, or highlight areas where the council needs to make improvements.

Statutory obligation

Theme E – Resources and financial management

| Statement | In place (Yes/No) | Further information | Comments |
|--|-------------------|--|----------|
| The council has suitable accounting and audit systems | | | |
| E.1 The council has a formally appointed responsible financial officer | Yes | Local Government Act 1972 section 151 requires the council to make arrangements for the proper administration of its financial affairs and to secure that one of its officers, the responsible finance officer, has responsibility for administration of those affairs. | |
| E.2 The council has a complete and up to date ledger/cashbook | Yes | See chapter 4 of Governance and Accountability for Local Councils in Wales – A Practitioners Guide for further guidance. Accounts and Audit (Wales) Regulations 2014 - regulation 6 requires the Council's accounting records to: (a) be sufficient to show and explain a relevant body's transactions and to enable the responsible financial officer to prepare the accounting | |

Theme E – Resources and financial management

| Statement | In place (Yes/No) | Further information | Comments |
|--|----------------------|--|----------|
| E.3 The council has clearly documented accounting procedures including any segregation of duties and a schedule of key records | Yes | <p>statements; and (b) contain—</p> <ul style="list-style-type: none"> (i) entries from day to day of all sums of money received and expended by the body and the matters to which the income and expenditure or receipts and payments accounts relate; (ii) a record of the assets and liabilities of the body; and (iii) a record of income and expenditure of the body in relation to claims made, or to be made, by it for contribution, grant or subsidy. <p>The Accounts and Audit (Wales) Regulations 2014 require the responsible financial officer to determine the council's accounting control systems and ensure that the accounting control systems are observed.</p> <p>The accounting control systems must include—</p> <ul style="list-style-type: none"> (a) measures to ensure that financial transactions are recorded as soon as reasonably practicable and as accurately as reasonably possible, measures to enable the prevention and detection of inaccuracies and fraud, and the ability to reconstitute any lost records; (b) identification of the duties of officers dealing with financial transactions and division of responsibilities of those officers in relation to significant transactions; (c) procedures to ensure that uncollectable amounts, including bad debts, are not written off except with the approval of the responsible financial officer, or such member of that person's staff as is nominated for this purpose, and that the approval is shown in the accounting record; and (d) measures to ensure that risk is appropriately managed | |

Theme E – Resources and financial management

| Statement | In place (Yes/No) | Further information | Comments |
|---|---|---|--|
| E.4 The council has a schedule of its key accounting records | Yes | Councils should ensure that they are fully aware of all key accounting records including for example, burial register, cheque books, invoices, payroll records, contracts (including employment contracts) | |
| E.5 There are documented arrangements for transfer of documents on change of responsible financial officer | No | Councils must ensure that all accounting records including contracts, payroll records, invoices etc are held securely and proper arrangements are in place for the transfer of records on changes in the clerk/responsible financial officer. This is particularly important where the council does not have its own office. The council's copy of the clerk's employment contract should not be retained by the clerk where the council does not have its own office. | To be addressed. Draft by Clerk |
| E.6 The council has and monitors a record of its earmarked reserves and balances and ensures that precept is not raised unnecessarily | Yes | See Governance and Accountability for Local Councils in Wales – A practitioners guide (2019 Edition) chapter 22 for guidance | |
| E.7 There is an agreed timetable for the preparation and approval of the Annual Return/statement of accounts | Yes | Preparing and agreeing a timetable for the preparation and approval of the annual return will enable the council to meet the statutory approval date of 30 June each year. Documenting these arrangements also assists in handover of responsibilities between outgoing and incoming responsible financial officers. | |
| E.8 The approval of the Annual Return is a set agenda item on the council meeting schedule to be approved by 30 June | Yes or the appropriate notices published | See The Accounts and Audit (Wales) Regulations 2014, regulation 15 Members will need to be mindful of the statutory timetable for approving the accounts and where the statutory dates are not met, establish why there is a delay and make arrangements to approve the accounts as soon as possible thereafter. | |

Theme E – Resources and financial management

| Statement | In place (Yes/No) | Further information | Comments |
|--|-------------------|--|----------|
| | | Members must receive the full annual return 3 days before the meeting. | |
| | | The Accounts and Audit (Wales) Regulations 2014 requires that the council as a whole approve the accounting statements (contained in the Annual Return) | |
| E.9 Councillors receive appropriate evidence to support the governance assertions made in the annual governance statement as included in the annual return | Yes | Councils should not approve the annual return until they are satisfied that the assertions made in the annual governance statement are supported by sufficient evidence to justify the answers given. | |
| E.10 The council has a risk register which is reviewed at least annually | Yes | See Governance and Accountability for Local Councils in Wales – A practitioners guide (2019 Edition) chapter 9 for guidance | |
| | | The council should have a risk management scheme which highlights every significant risk in terms of the council's activities and makes clear how such risks will be managed. This includes investing in adequate insurance to protect employees, buildings, cash and members of the public. | |
| E.11 Appointment of the internal auditor and internal audit terms of reference are approved by the council | Yes | See Governance and Accountability for Local Councils in Wales – A practitioners guide (2019 Edition) – chapter 11 and appendix 2 | |
| E.12 The effectiveness of internal audit is reviewed at least once in each year | Yes | Accounts and Audit (Wales) Regulations 2014 - regulation 7 requires that the council maintain an adequate and effective system of internal audit. | |

Theme E – Resources and financial management

| Statement | In place (Yes/No) | Further information | Comments |
|--|-------------------|---|----------|
| E.13 Councillors examine the audit pack to be sent to the Auditor General for Wales to confirm the accuracy of the information provided | Yes | | |
| E.14 The rights of the public in relation to the accounts are advertised at the appropriate times | Yes | See Accounts and Audit (Wales) Regulations 2014 – regulation 17 | |
| E.15 The council allows inspection of the annual return or statement of accounts and the supporting accounting records and other documents once the statement of accounts has been approved by the council | Yes | See Accounts and Audit (Wales) Regulations 2014 – regulation 17 | |
| E.16 Councillors receive a copy of the Auditor General's final audit report and a copy of the Auditor General for Wales' certified annual return | Yes | The council should ensure they are aware of the outcome of the statutory audit and any issues identified so that its arrangements can be improved or errors corrected for future years | |
| E.17 The statement of accounts is published after the annual external audit, together with the auditor's report | Yes | See Accounts and Audit (Wales) Regulations 2014 – regulation 18 | |
| The council has suitable financial management and financial assistance processes | | | |
| E.18 The council prepares a detailed budget each year prior to setting the precept | Yes | The Local Government Finance Act 1992 section 50 requires the council to calculate its budget requirement for the year and specifies how the budget requirement is to be calculated | |
| | | See Governance and Accountability for Local | |

Theme E – Resources and financial management

| Statement | In place (Yes/No) | Further information | Comments |
|--|-----------------------------|--|----------|
| E.19 The budget and the precept requirement are approved by the council | Yes | Councils in Wales – A practitioners guide (2019 Edition) – chapter 6 | |
| E.20 The council receives periodic (monthly/quarterly) reports comparing income and expenditure against the approved budget, and where there are differences between actual and budget figures, the council ensures it receives detailed explanations of the differences | Yes | Regular monitoring of income and expenditure can help councils to identify financial issues before they become problems. | |
| E.21 The council receives and reviews periodic (monthly/quarterly) bank reconciliations | Yes | The bank reconciliation is an important internal control as it provides evidence of the completeness and accuracy of the amounts recorded in the council's accounting records. Reconciliations should be prepared whenever a bank statement is received and should be reviewed to confirm they have been properly prepared. Reviewers should seek evidence and explanations for reconciling items. | |
| E.22 Welsh Government consent is obtained before entering into long term borrowing to finance capital expenditure | It would be, via OVW | Councils must obtain Welsh Government consent before entering into long term borrowing arrangements. Welsh Government publishes guidance on applying for borrowing approvals and an application form on its website. | |
| E.23 Arrangements are in place for internal audit of the council's accounting records | Yes | Accounts and Audit (Wales) Regulations 2014 - regulation 7 requires that the council maintain an adequate and effective system of internal audit. | |

Theme E – Resources and financial management

| Statement | In place (Yes/No) | Further information | Comments |
|--|-------------------|---|----------|
| and of its system of internal control, and for receipt of the internal audit report prior to the council's approval of the annual return | | | |
| E.24 Standing orders are in place specifically for the procurement of the supply of goods, materials, works and services | Yes | <p>Local Government Act 1972 section 135 requires all councils to make standing orders covering contracts for the supply of goods, materials and the execution of works.</p> <p>The standing orders must make provision to secure competition and to regulate the way in which tenders are invited. Section 135 of the Local Government Act 1972 allows for small contracts to be exempt and to make an exemption in a particular case.</p> <p>One Voice Wales and SLCC can provide model standing orders to members.</p> | |
| E.25 The council reviews procurement thresholds in its standing orders and financial regulations to ensure they remain relevant | Yes | Model standing orders and financial regulations need to be tailored to fit the needs of the council. | |
| E.26 Significant items of expenditure and all contracts are reviewed to ensure compliance with the standing orders / financial regulations | ?? By Clerk | | |
| E.27 Exemptions to the standing orders / financial regulations are only applied in exceptional circumstances | Yes | Standing orders / financial regulations must be followed as a matter of course, any exceptions are expected to be rare and the reasons for departure should be documented / recorded in the minutes of the council. | |
| E.28 Documented procedures are in place for | Yes | The council should have clearly documented procedures for authorising and making payments. | |

Theme E – Resources and financial management

| Statement | In place (Yes/No) | Further information | Comments |
|---|-------------------|---|----------|
| making payments to third parties and employees | | <p>This is required to ensure:</p> <ul style="list-style-type: none"> • Bank accounts are only opened with consent of the council • Direct debits and standing orders are properly authorised • Appropriate authorisation limits and procedures are in place to ensure that only approved payments are made • Access to council funds is safeguarded in case of departure of members/officers | |
| E.29 Payments are periodically reviewed to ensure that the appropriate procedures have been followed | Yes | Independent review of payments processes is an important control to limit the risk of fraud or other error arising. | |
| E.30 The establishment and ongoing payments made by bank standing order/direct debit are monitored | Yes | Bank standing orders and direct debits result in an ongoing series of payments and the council should ensure that it understands what the payments are for and the current level of payments made. | |
| E.31 There is a documented policy and procedure for the award of grants | Yes | Adoption of a policy and specified procedure for the award of grants will help councils to decide between competing requests for support. Councils can set key criteria for eligibility, limits on the assistance that may be awarded and specify evidence required to support applications for funds. It also provides a clear trail from the application to the award of grant. | |
| E.32 The council calculates annually the maximum sum it is allowed to spend under the section 137 power | Clerk does | The amount councils are permitted to spend is limited to a multiple of registered electors as at January immediately before the start of the financial year. Councils need to ensure that they do not spend more than the allowed sum. The allowable amount is | |

Theme E – Resources and financial management

| Statement | In place (Yes/No) | Further information | Comments |
|---|-------------------|---|----------|
| | | published annually by Welsh Government. | |
| | | Note - Once a council resolves itself an eligible community council for the purposes of the general power of competence, section 137 of the Local Government Act 1972 no longer applies to the council. Unlike section 137 there is no financial limitation on what an eligible community council can spend if they are exercising the general power of competence. | |
| | | See chapter 1 of The Local Government and Elections (Wales) Act 2021: Statutory Guidance for Community and Town Councils | |
| E.33 Before making a decision to award a grant for financial assistance under s137 of the Local Government Act, the council considers if the grant awarded is commensurate with the benefit that will be accrued to the community | Yes | <p>Section 137 of the Local Government Act 1972 requires that the financial assistance awarded is commensurate with the benefit accrued to the community.</p> <p>Where a council has resolved itself to be an eligible community council under the Local Government and Elections (Wales) Act 2021 and the general power of competence is intended to be exercised, the conditions under section 137 do not apply. See chapter 1 of The Local Government and Elections (Wales) Act 2021: Statutory Guidance for Community and Town Councils</p> | |
| E.34 Before making a decision to award a grant under s137 of the Local Government Act 1972, the council considers if it has a | Yes | The miscellaneous power cannot be applied to incur expenditure where there is an existing statutory provision that would allow the expenditure to be incurred. In addition these powers cannot be applied to circumvent a statutory prohibition on the | |

Theme E – Resources and financial management

| Statement | In place (Yes/No) | Further information | Comments |
|--|-------------------|--|----------|
| specific power to incur the expenditure rather than applying the section 137 power, or if there is a statutory prohibition on making such a payment | | expenditure being incurred. | |
| E.35 The council keeps a separate account of all section 137 payments | Yes | See section 137 of the Local Government Act 1972 | |
| E.36 For eligible community councils, which are therefore able to exercise the general power of competence, the council ensures it acts in accordance with the relevant sections of the Local Government and Elections (Wales) Act 2021 and associated guidance. | N/A | See Part 2 of the Local Government and Elections (Wales) Act 2021 and chapter 1 of The Local Government and Elections (Wales) Act 2021: Statutory Guidance for Community and Town Councils | |