NORTHWICH TOWN COUNCIL

Chief Officer: Chris Shaw

Council Offices, 78 Church Road, Northwich, Cheshire, CW9 5PB - 01606 41510

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Northwich
town council

Dear Councillor

You are summoned to attend the Annual General Meeting of the NORTHWICH TOWN COUNCIL to be held in the Council Chamber at 7.00 pm on Monday 20th May 2024.

Yours Sincerely

Chris Shaw

Chris Shaw

Chief Officer

AGENDA

At 7.00 pm, the Chief Officer will announce the entrance of the

Town Mayor Councillor Jane Thomas

1. Apologies for absence or absence.

2. The Town Mayor Councillor Jane Thomas will call for nominations for the Office of Town Mayor for the forthcoming year.

3. Councillor Catriona Stewert will propose the Motion that Councillor Kate Cernik be elected Town Mayor for the coming year. Councillor Andy Kent will second the motion.

4. The Town Mayor Councillor Jane Thomas will call for other nominations, before putting the motion to vote.

5. The Town Mayor Councillor Jane Thomas, Town Mayor-elect and Chief Officer will leave the meeting to change the Mayoral Gown and Chain of Office.

6. The new Town Mayor will return to the meeting and read and sign their Declaration of Acceptance of Office.

7. Councillor Sam Naylor will propose a vote of thanks to the retiring Town Mayor Councillor Jane Thomas for her year of office, and Councillor Andrew Cooper will second the vote.

8. Councillor Jane Thomas will respond to the vote of thanks.

9. The Town Mayor Councillor Kate Cernik will call for nominations for the Office of Deputy Town Mayor for the forthcoming Civic year.

10. Councillor Lee Siddall will propose the Motion that Councillor Julie McDonald be elected Deputy Town Mayor for the coming year. Councillor Rachel Waterman will second the Motion.

11. The Town Mayor Cllr Kate Cernik will call for any other nominations, before putting the Motion to the Vote.

12. The Town Mayor will place the Chain of Office on the new Deputy Mayor, who in turn will read and sign their Declaration of Acceptance of Office and return thanks for their election.

13. Councillor Jo Callaghan will propose that Cllr Bob Cernik be the Town Mayors Consort for the coming year. Councillor Andy Stott second the motion

14. The Town Mayor will place the chain of office onto the Consort

15. The Town Mayor Councillor Kate Cernik will address the Meeting and return thanks for their election.

16. NTC Committees and Outside Bodies

To resolve to approve the lists (report attached)

The list of Members of Committees and Representatives on Outside Bodies, previously circulated and attached, will be proposed by Councillor Amy Locket and seconded by Councillor Janet Illidge and approved en bloc.

Decision of the Council is requested.

17. General Power of Competence

To resolve to adopt the GPO (Report attached) Councillor Jane Thomas will propose the above motion and this will be seconded by Councillor Tom Melville

Decision of the Council is requested.

18. NTC Standing Orders

To resolve to adopt the Council's Standing Orders.

Councillor Arthur Neil will propose the above Motion and this will be seconded by Councillor Catherine Fox

Decision of the Council is requested.

19. Attendance at Council Meeting 2023/2024

To note Councillors attendance at meetings (report attached)

20. NTC Meeting Calendar 2023-2024

To resolve to agree to the Calendar of Meetings for the forthcoming year.

Councillor Bob Cernik to propose the above Motion and this will be seconded by Councillor Andrew Cooper

Decision of the Council is requested.

21. Second Interim Internal Audit – JDH Business Services

(report attached)

Decision of the Council is requested.

22. Year End Audit – JDH Business Services

(report attached)

Decision of the Council is requested.

23. AGAR 2023/24

Members to approve 2023/24 AGAR figures (report attached)

Decision of the Council is requested.

Members and Guests are now invited to enjoy some light refreshments in the Council Chamber.

NORTHWICH TOWN COUNCIL
ANNUAL GENERAL MEETING
MONDAY 15TH MAY 2023

Present: Councillor Ms. Jane Thomas – Town Mayor

Councillors:

Joanne Callaghan	Kate Cernik
Bob Cernik	Andrew Cooper
Olwyn Dean	Graham Emmett
Janet Illidge	Andrew Kent
Amy Lockett	Julie MacDonald
Patricia Parkes	Sam Naylor
Lee Siddall	Catriona Stewart
Rachel Waterman	

Also Present: Mr. C. Shaw – Town Clerk
Mrs . C. Kirwan – Finance Officer/Town Clerk's P.A..

Guests: Invited guests of the incoming Mayor

The Town Mayor opened the meeting at 6.00 p.m. and welcomed everyone to the Council.

23/01 APOLOGIES FOR ABSENCE

Apologies for absence were received from Cllr. A. Gerrard, Cllr. T. Melville, Cllr. A Stott, Cllr C Fox, and Cllr A Neil
.

23/02 NOMINATIONS FOR THE OFFICE OF TOWN MAYOR

The Town Mayor, Cllr. G Emmett called for nominations for the Office of Town Mayor for the forthcoming year. Cllr. Ms Rachel Waterman proposed the Motion that Cllr. Jane Thomas be elected as Town Mayor for the coming year. Cllr. Mrs. Janet Illidge seconded the Motion. The Town Mayor called for any other nominations, and the Motion was put to the vote. There were no further nominations. Motion carried, All in favour.

RESOLVED
That Councillor Ms. Jane Thomas be elected as Town Mayor of Northwich for the ensuing year. The Town Mayor, Cllr. Graham Emmett, Town Mayor elect, and the Town Clerk then left the meeting to exchange Mayoral Robes and Chain of Office. The new Town Mayor then returned to the meeting, read and signed the Declaration of Acceptance of Office.

Date…………………….. **………………………………….**
Cllr Ms. Jane Thomas
Town Mayor

23/03 TOWN MAYOR - VOTE OF THANKS

Councillor Sam Naylor proposed a vote of thanks to the retiring Town Mayor Cllr. Graham Emmett, for his previous year of Office saying it was both a privilege and honour to deliver this vote of thanks. He also thanked all those attending. Cllr. Mrs Janet Illidge seconded the vote and added her thanks. Cllr. Graham Emmett responded to the vote of thanks, and delivered his own closing speech, in which he highlighted some of the main functions and events he had attended during his year in Office.

23/04 ELECTION OF DEPUTY TOWN MAYOR 2023-2024

The Town Mayor called for nominations for the office of Deputy Town Mayor for the forthcoming Civic Year. Cllr. Mrs. Julie MacDonald proposed the Motion that Cllr Ms Kate Cernik be elected Deputy Town Mayor for the coming year. Cllr. Andrew Cooper seconded the Motion. The Town Mayor called for any other nominations before putting the Motion to the vote. No further nominations made. Motion carried. All in favour.

It was proposed by Cllr R Cernik that Beth Miller become the Mayors Consort and Cllr Ms A Lockett seconded the proposal. All agreed

RESOLVED
That Cllr. Mrs Kate Cernik be elected for the Deputy Mayor of Northwich for the ensuing year. Cllr. Mrs Kate Cernik was then presented with the Chain of Office, read and signed the Declaration of Acceptance of Office, and gave thanks for her election.

Beth Miller to become the Mayors Consort and proposed by Cllr R Cernik and second by Cllr Ms A Locket. All agreed

23/05 MEMBERS OF COMMITTEES

List of Members of Committees and Representatives on Outside Bodies had been previously circulated to members and are as follows. These were proposed by Cllr. Lee Siddall and seconded by Cllr. Ms Patricia Parkes. Approved en bloc. All in favour.

Approved

Date……………………… **………………………………….**
Cllr Ms. Jane Thomas
Town Mayor

Town Council Committees 2022-2023

Finance & General Purposes Committee

This meeting is to be held the third Monday of each month at 6.30 pm

1. Lee Siddall	2. Tom Melville
3. Rachel Waterman	4. Jane Thomas
5. Julie MacDonald	6. Kate Cernik
7. Sam Naylor	8. Catherine Fox
9. Alison Gerrard	10. Vacant

Planning & Environment Committee

This meeting will be held every second Tuesday of the month at 6.30pm

1. Lee Siddall	2. Patricia Parkes
3. Joanne Callaghan	4. Andy Kent
5 Catarina Stewart	6. Andy Stott
6. Janet Illidge	8. Andrew Cooper
9. Olwyn Dean	10. Catherine Fox

Grants Committee

Meetings will be held on the following dates at 6.30 p.m.

21st July 2023 and 17th November 2023

1. Amy Lockett	2. Rachel Waterman
3. Tom Melville	4. Kate Cernik
5. Robert Cernik	6. Jane Thomas
7. Julie MacDonald	8. Jane Illidge
9. Patricia Parkes	10. Caterina Stewart

Date………………………　　　　**…………………………………..**

Cllr Ms. Jane Thomas
Town Mayor

Amenities Committee

Meetings will be held at 6.30 pm on the following dates – to be confirmed

1. Amy Lockett
2. Patricia Parkes
3. Robert Cernik
4. Kate Cernik
5. Julie MacDonald
6. Andrew Cooper
7. Andy Kent
8. Alison Gerrard
9. Arthur Neil
10. Olwyn Dean

Policy & Operations Committee

Chair & Vice from all the above Committees, meetings as requested

1. Town Mayor
2. Deputy Town Mayor
3. Chair of Planning & Environment
4. Vice Chair of Planning & Environment
5. Chair of Grants
6. Vice Chair of Grants
7. Chair of Amenities
8. Vice Chair of Amenities
9. Chair of Finance
10. Vice Chair of Finance

Personnel Committee to be agreed at first meeting of Policy & Operations

1.
2.
3.
4.

Chairs and Vice Chairs of all Committees to be elected at their first Committee meetings.

Date………………………

………………………………….
Cllr Ms. Jane Thomas
Town Mayor

<u>Representatives on Outside Bodies 2023-2024</u>

ORGANISATION	NUMBER OF VACANCIES	PROPOSED COUNCILLOR REPRESENTATIVE	PERIOD OF OFFICE

Sir John Deane's College Foundation Trust	2	Arthur Neil Sam Nayor	1 year
Northwich BID	3	Chris Shaw (Town Clerk) Sam Naylor Olwyn Dean	1 year
Cheshire Association of Local Councils (CHALC)	2	Chris Shaw (Town Clerk) Alison Gerrard	1 year
Rudheath & Witton Together Neighbourhood Partnership	1	Andy Stott	1 year
Manchester International Airport	2	Chris Shaw (Town Clerk) Sam Naylor	1 year
Mid Cheshire Community Rail	2	Chris Shaw (Town Clerk) Andy Kent	1 year
Warrington & Vale Royal College	2	Sam Naylor Robert Cernik	1 year
Alstead	2	Alison Gerrard Julie MacDonald	1 year
River Festival	3	Chris Shaw (Town Clerk) Jane Thomas Rachel Waterman	1 year
TATA Heat and Power	2	Olwyn Dean Julie MacDonald	1 year
HS2	4	Andy Kent Caterina Stewart Andrew Cooper Tom Melville	
Care Community	1	Kate Cernik	1 year
Northwich Veterans	2	Sam Naylor Chris Shaw (Town Clerk)	1 year

Date……………………… **…………………………………..**
Cllr Ms. Jane Thomas
Town Mayor

23/06 <u>GENERAL POWER OF COMPETENENCE</u>

The General Power of Competence (GPC) was introduced by the Localism Act 2011 and took effect in February 2012. In simple terms, it gives councils the power to do anything an individual can do provided it is not prohibited by other legislation. It applies to all principal councils (district, county and unitary councils etc). It also applies to eligible1 parish and town councils. It replaces the wellbeing powers in England that were provided under the Local Government Act 2000.

The scope – and some limitations – of the General Power are set out in sections 1 to 6 of the Localism Act 2011.

In summary, the GPC enables councils to do things:
• an individual may generally do
• anywhere in the UK or elsewhere
• for a commercial purpose or otherwise, for a charge or without a charge
• without the need to demonstrate that it will benefit the authority, its area or persons resident or present in its area (although in practice councils will want to realise such benefits).
But there are some limitations on General power, either because they are not things which an individual can do or because they are excluded by the Act. The GPC will not:
• provide councils with new powers to raise tax or precepts or to borrow
• enable councils to set charges for mandatory services, impose fines or create offences or byelaws, over and above existing powers to do so
• override existing legislation in place before the Localism act 2011, so-called 'pre-commencement limitations' (however powers enacted after commencement of the GPC will only limit the GPC if this explicitly stated in the legislation).

Where using the GPC for charging or trading purposes, the recipient should agree to the service being provided, the income from charges should not exceed the cost of provision and, where things are done for commercial purposes, this must be done through a specified type of company.

Notwithstanding the limitations outlined above, the GPC remains a broad power.
As part of the Government's wider localism agenda, the GPC is intended not only to increase local authority powers but to give greater confidence in the scope of those powers and to signal that how those powers are used is a matter for local authorities (Department for Communities and Local Government, November 2011).

It should encourage more managed risk taking by councils. In enacting the GPC, the Government intended to remove the uncertainty which had arisen around the scope of the previous wellbeing powers – to promote the economic, environmental and social wellbeing of a council's area – where the courts had found that these powers did not enable councils to enter some arrangements such as a mutual insurance company across several councils – the so-called London Authorities Mutual Ltd (LAML) case in 2009.

Cllr. Mrs Amy Lockett proposed that we adopt the General Power of Competence and this was seconded by Cllr Andy Kent,

All agreed

Approved

Date……………………… **…………………………………**
Cllr Ms. Jane Thomas
Town Mayor

23/07 NTC <u>STANDING ORDERS</u>

Members were requested to agree the Council Standing Orders which had been previously received. Cllr. Bob Cernik proposed the Motion to accept, and this was seconded by Cllr. Ms. Caterina Stewart.

All agreed

Approved

23/08 ATTENDANCE AT COUNCIL MEETINGS 2022-2023

Schedule of Councillor's attendances was submitted for members information, previous to this meeting, and were noted.

23/09 MEETING CALENDAR 2023-2024

Members were requested to agree the Calendar of Meetings for the forthcoming year, Cllr. Lee Siddall proposed a Motion to accept, this was seconded by Cllr. Ms Joanne Callaghan.

All agreed.

Approved

23/10 FREEDOM OF THE TOWN

Northwich Town Council decided a few years ago that people who go above and beyond be considered to have Freedom of the Town. At the moment, Northwich Town Council has two people who have Freedom of the Town and they are David Roberts and Matt Longridge and Cllr. Sam Naylor would like to nominate Cllr Derek Bowden to become the third. Cllr Andrew Cooper remarked how Cllr Derek Bowden was a great mentor to him when he first joined the Council and will be missed now Cllr Derek Bowden is stepping down. Cllr Bob Cernik also remarked on how he first met Cllr Derek Bowden and mentioned some of his ideas and Cllr Derek Bowden would calmly inform him on where to go and formulate the idea with great support to him.

All agreed.

Approved

Date……………………… **………………………………….**
Cllr Ms. Jane Thomas
Town Mayor

23/11 NORTHWICH SKATE PARK

Northwich Town Council have been working hard over the last 18 months on securing funding for a new skatepark in Vickersway Park.

Following on from consultations with the community and skate groups we invited suppliers to submit designs and we allowed the community to chose which design they wished to see constructed.

Due to the elections and timescales an Extraordinary meeting was convened to resolve to award the tender but due to other commitments and holidays the meeting was not quorate. In attendance were the Town Clerk, Town Mayor, Deputy Mayor, Chair of Finance and other members and it was decided that the attending members would resolve to award the contract and ratify this ate the AGM.

Three suppliers submitted quotes which are below:

Wheelscape	£180,000
Canvas	£179,265.30
Clark & Kent	£175,000

Wheelscape were awarded the contract as this design carried the most votes in the public consultation.

Cllr. Graham Emmett proposed the above motion and this was seconded by Cllr. Andrew Cooper.

All agreed.

Approved

23/12 <u>CIVILITY & RESPECT PEDGE</u>

Over 1,000 local (parish and town) councils have signed up for the Civility and Respect Pledge.

SLCC and the National Association of Local Councils (NALC) are urging councils yet to sign the Pledge to do so. The sector must continue to stand up against bullying and harassment. The more councils that sign the Pledge, the more significant impact it will have in lobbying the government to re-visit its response to the Committee on Standards in Public Life report on local government ethical standards.

The Pledge allows local councils to demonstrate a commitment to stand up to poor behaviour across the sector and enforce positive changes that support civil and respectful conduct.

Date……………………… **………………………………….**
Cllr Ms. Jane Thomas
Town Mayor

By signing the Pledge, local councils agree that it will treat councillors, clerks, employees, members of the public, and representatives of partner organisations and volunteers with civility and respect in their roles and that it:

- Puts in place a training programme for councillors and staff
- Signs up to the code of conduct for councillors
- Has good governance arrangements in place, including staff contracts and dignity at work policies
- Seeks professional help at the early stages should civility and respect issues arise
- Committed to calling out bullying and harassment if and when it happens

- Continue to learn from best practices in the sector and aspire to be a role model/champion council
- Supports the lobbying for change in legislation to support the Civility and Respect Pledge.

SLCC, the National Association of Local Councils (NALC), One Voice Wales (OVW) and county associations developed the Civility and Respect Pledge to address growing concerns about bullying, harassment and intimidation within the sector.

Cllr. Mrs Amy Lockett proposed the above motion and this was seconded by Cllr. Ms. Caterina Stewart.

All agreed

Approved

At the conclusion of the Annual General Meeting, and Mayor making ceremony, the newly elected Town Mayor joined fellow members, family and friends for celebratory refreshments in the Council Chambers.

Meeting Closed at 6.47pm.

Date………………………

………………………………….
Cllr Ms. Jane Thomas
Town Mayor

Report to :	**AGM**
Meeting Date :	**20th May 2024**
Agenda Item :	**16**
Prepared By :	**Chris Shaw**
Subject :	**List of Committes & Outside Bodies**

<u>Town Council Committees 2024-2025</u>

Finance & General Purposes Committee

This meeting is to be held the third Monday of each month at 6.00 p.m.

1. Lee Siddall
2. Tom Melville
3. Rachel Waterman
4. Catherine Fox
5. Julie McDonald
6. Kate Cernik
7. Sam Naylor
8. Vacant
9. Alison Gerrard
10. Vacant

Planning & Environment Committee

This meeting will be held every fourth Monday of the month at 5.00 p.m.

1. Bob Cernik
2. Patricia Parkes
3. Jo Risley
4. Andy Kent
5. Catarina Stewart
6. Andy Stott
6. Janet Illidge
8. Andrew Cooper
9. Vacant
10. Catherine Fox

Grants Committee

Meetings will be held on the following dates at 6.30 p.m.

18th July 2024 and 14th November 2024

1. Amy Lockett
2. Rachel Waterman
3. Tom Melville
4. Kate Cernik
5. Robert Cernik
6. Jane Thomas
7. Julie MacDonald
8. Janet Illidge
9. Patricia Parkes
10. Lee Siddall

Amenities Committee

Meetings will be held at 6.30 p.m. every 2 months. Dates to be confirmed at Full Council meetings.

1. Lee Siddall	2. Patricia Parkes
3. Graham Emmett	4. Catriona Stewart
5. Julie MacDonald	6. Andrew Cooper
7. Andy Kent	8. Jo Callaghan
9. Arthur Neil	10. Olwyn Dean

Policy & Operations Committee

Chair & Vice from all the above Committees, meetings as requested.

1. Town Mayor	2. Deputy Town Mayor
3. Chair of Planning & Environment	4. Vice Chair of Planning & Environment
5. Chair of Grants	6. Vice Chair of Grants
7 Chair of Amenities	8. Vice Chair of Amenities
9. Chair of Finance	10. Vice Chair of Finance

Personnel Committee to be agreed at first meeting of Policy & Operations

1.	2.
3.	4.

Chairs and Vice Chairs of all Committees to be elected at their first Committee meetings.

Representatives on Outside Bodies 2024-2025

ORGANISATION	NUMBER OF VACANCIES	PROPOSED COUNCILLOR REPRESENTATIVE	PERIOD OF OFFICE
Sir John Deane's College Foundation Trust	1	Councillor Bob Cernik	1 year
Northwich BID	3	Chris Shaw (Chief Officer) Councillor Sam Naylor Councillor Rachel Waterman	1 year
Cheshire Association of Local Councils (CHALC)	2	Chris Shaw (Chief Officer) Councillor Kate Cernik	1 year
Manchester International Airport	2	Chris Shaw (Chief Officer) Councillor Sam Naylor	1 year
Mid Cheshire Community Rail	2	Councillor Andy Kent Councillor Julie Macdonald	1 year
Warrington & Vale Royal College	2	Councillor Olwyn Dean Councillor Sam Naylor	1 year
Dong Energy	2	Councillor Julie Macdonald Councillor Sam Naylor Councillor Bob Cernik	1 year
River Festival	3	Chris Shaw (Chief Officer) Councillor Rachel Waterman Councillor Amy Lockett	1 year
TATA Heat and Power now LSEP	2	Councillor Sam Naylor Councillor Graham Emmett	1 year
Care Community	1	Councillor Kate Cernik	1 year

		Councillor Rachel Waterman	
Dementia Friendly Northwich	3	Councillor Kate Cernik Councillor Rachel Waterman Councillor Lee Waterman	1 year

Council to resolve to accept the members on Committees and Outside Bodies.

Decision of the Council is requested.

Chris Shaw

Chief Officer

Report to :	**AGM**
Meeting Date :	**20th May 2024**
Agenda Item :	**17**
Prepared By :	**Chris Shaw**
Subject :	**General Power of Competence (GPC)**

Background

The General Power of Competence (GPC) was introduced by the Localism Act 2011 and took effect in February 2012. In simple terms, it gives councils the power to do anything an individual can do provided it is not prohibited by other legislation. It applies to all principal councils (district, county and unitary councils etc). It also applies to eligible1 parish and town councils. It replaces the wellbeing powers in England that were provided under the Local Government Act 2000.

The scope – and some limitations – of the General Power are set out in sections 1 to 6 of the Localism Act 2011.

In summary, the GPC enables councils to do things:

• an individual may generally do
• anywhere in the UK or elsewhere
• for a commercial purpose or otherwise, for a charge or without a charge
• without the need to demonstrate that it will benefit the authority, its area or persons resident or present in its area (although in practice councils will want to realise such benefits).

But there are some limitations on General power, either because they are not things which an individual can do or because they are excluded by the Act. The GPC will not:

• provide councils with new powers to raise tax or precepts or to borrow
• enable councils to set charges for mandatory services, impose fines or create offences or byelaws, over and above existing powers to do so
• override existing legislation in place before the Localism act 2011, so-called 'pre-commencement limitations' (however powers enacted after commencement of the GPC will only limit the GPC if this explicitly stated in the legislation).

Where using the GPC for charging or trading purposes, the recipient should agree to the service being provided, the income from charges should not exceed the cost of provision and, where things are done for commercial purposes, this must be done through a specified type of company.

Notwithstanding the limitations outlined above, the GPC remains a broad power.

As part of the Government's wider localism agenda, the GPC is intended not only to increase local authority powers but to give greater confidence in the scope of those powers and to signal that how those powers are used is a matter for local authorities (Department for Communities and Local Government, November 2011).

It should encourage more managed risk taking by councils. In enacting the GPC, the Government intended to remove the uncertainty which had arisen around the scope of the previous wellbeing powers – to promote the economic, environmental and social wellbeing of a council's area – where the courts had found that these powers did not enable councils to enter some arrangements such as a mutual insurance company across several councils – the so-called London Authorities Mutual Ltd (LAML) case in 2009.

Criteria required

- Two thirds of the Council to be elected members and not Co – Opted
- Qualified Chief Officer

Council to resolve adopting the General Power of Competence.

Decision of the Council is requested.

Chris Shaw

Chief Officer

Northwich
town council

Northwich Town Council

Standing Orders for Local Councils

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1 Meetings

Mandatory for full Council meetings

Mandatory for committee meetings

Mandatory for sub-committee meetings

a Meetings shall not take place in premises, which at the time of the meeting, are used for the supply of alcohol unless no other premises are available free of charge or at a reasonable cost.

b When calculating the 3 clear days for notice of a meeting to councillors and the public, the day on which notice was issued, the day of the meeting, a Sunday, a day of the Christmas break, a day of the Easter break or of a bank holiday or a day appointed for public thanksgiving or mourning shall not count.

c Meetings shall be open to the public unless their presence is prejudicial to the public interest by reason of the confidential nature of the business to be transacted or for other special reasons. The public's exclusion from part or all of a meeting shall be by a resolution which shall give reasons for the public's exclusion.

d The period of time which is designated for public participation (open forum) shall not exceed 5 minutes per speaker during which the public may bring to the Council's attention any matters of interest or concern.

e Subject to standing order 1(d) above, each member of the public is entitled to speak once only in respect of any item and shall not speak for more than 5 minutes. The Mayor may at any time instruct the speaker to end their input to the meeting.

f In accordance with standing order 1(d) above, the Mayor may direct that a response to a question posed by a member of the public be referred to a Councillor for an oral response or to an employee for a written or oral response.

g A record of a public participation session at a meeting shall be included in the minutes of that meeting.

h A person shall raise his hand when requesting to speak.

Any person speaking at a meeting shall address his comments to the Mayor

i Only one person is permitted to speak at a time. If more than one person wishes to speak, the Mayor shall direct the order of speaking.

j Photographing, recording, broadcasting or transmitting the proceedings of a meeting by any means is permitted provided that it does not interrupt or detract from the business of the meeting.

k In accordance with standing order 1(c) above, the press shall be provided reasonable facilities for the taking of their report of all or part of a meeting at which they are entitled to be present.

l Subject to standing orders which indicate otherwise, anything authorised or required to be done by, to or before the Mayor may in their absence be done by, to or before the Deputy Mayor (if any).

m The Mayor, if present, shall preside at a meeting. If the Mayor is absent from a meeting, the Deputy Mayor if present, shall preside. If both the Mayor and the Deputy Mayor are absent from a meeting, a Councillor as chosen by the Councillors present at the meeting shall preside at the meeting.

n Subject to model standing order 1 (y) below, all questions at a meeting shall be decided by a majority of the Councillors present and voting thereon.

o The Mayor may give an original vote on any matter put to the vote, and in the case of an equality of votes may exercise his casting vote whether or not he gave an original vote. (*See also standing orders 2 (i) and (j) below.*)

p Unless standing orders provide otherwise, voting on any question shall be by a show of hands. At the request of a Councillor, the voting on any question shall be recorded so as to show whether each councillor present and voting gave his vote for or against that question. Such a request shall be made before moving on to the next item of business on the agenda.

q The minutes of a meeting shall record the names of councillors present and absent.

r If prior to a meeting, a Councillor has submitted reasons for his absence at the meeting which is then approved by a resolution, such resolution shall be recorded in the minutes of the meeting at which the approval was given.

s The code of conduct adopted by the Council shall apply to councillors in respect of the entire meeting.

t An interest arising from the code of conduct adopted by the Council, the existence and nature of which is required to be disclosed by a Councillor at a meeting shall be recorded in the minutes. (*See also standing orders 7 and 8 below.*)

u	No business may be transacted at a meeting unless at least one third of the whole number of members of the Council are present (7) and in no case shall the quorum of a meeting be less than 3.

v	If a meeting is or becomes inquorate no business shall be transacted and the meeting shall be adjourned. Any outstanding business of a meeting so adjourned shall be transacted at a following meeting.

w	Meetings shall not exceed a period of 2 hours.

2 Ordinary Council meetings[1]

a	In an election year, the annual meeting of the Council shall be held on or within 14 days following the day on which the new councillors elected take office.

b	In a year which is not an election year, the annual meeting of a Council shall be held on such day in May as the Council may direct.

c	If no other time is fixed, the annual meeting of the Council shall take place at 7.00 pm.

d	In addition to the annual meeting of the Council, at least three other ordinary meetings shall be held in each year on such dates and times as the Council directs.

e	The election of the Mayor and Deputy Mayor shall be the first business completed at the annual meeting of the Council.

f	The Mayor of the Council, unless she/he has resigned or becomes disqualified, shall continue in office and preside at the annual meeting until their successor is elected at the next annual meeting of the Council.

g	The Deputy Mayor of the Council unless she/he resigns or becomes disqualified, shall hold office until immediately after the election of the Mayor at the next annual meeting of the Council.

h	In an election year, if the current Mayor has not been re-elected as a member of the Council, s/he shall preside at the meeting until a successor Mayor has been elected. The current Mayor shall not have an original vote in respect of the election of the new Mayor but must give a casting vote in the case of an equality of votes.

i	In an election year, if the current Mayor has been re-elected as a member of the Council, she/he shall preside at the meeting until a new Mayor has been elected. She/he may exercise an original vote in respect of the election of the new Mayor and must give a casting vote in the case of an equality of votes.

j Following the election of the Mayor and Deputy Mayor at the annual meeting of the Council, the order of business shall be as follows.

i. In an election year, delivery by councillors of their declarations of acceptance of office.
ii. Review of delegation arrangements to committees, sub-committees, employees and other local authorities.
iii. Receipt of nominations to existing committees.
iv. Appointment of any new committees, confirmation of the terms of reference, the number of members (including, if appropriate, substitute councillors) and receipt of nominations to them.
v. Review and adoption of appropriate standing orders.
vi. Review of representation on or work with external bodies and arrangements for reporting back.
vii. In a year of elections, if a Council's period of eligibility to exercise the General Power of Competence expired the day before the annual meeting, to review and make arrangements to reaffirm eligibility.
viii. Setting the dates, times and place of ordinary meetings of the full Council for the year ahead.

3 Proper Officer

a The Council's Proper Officer shall be the Chief Officer or such other employee appointed by the Council to undertake the role of the Proper Officer during the Proper Officer's absence. The Proper Officer and the employee appointed to act as such during the Proper Officer's absence shall fulfil the duties assigned to the Proper Officer in standing orders.

b The Council's Proper Officer shall do the following.

i. Upon the Council having first resolved that service of summons on councillors confirming the time, date, venue and the agenda for a meeting by delivery or post at their residences at least 3 clear days before a meeting is not expedient electronically serve on councillors a summons confirming the time, date, venue and the agenda of a meeting of the Council and a meeting of a committee at least 3 clear days before the meeting provided any such email contains the electronic signature and title of the Proper Officer[2].
ii. Give public notice of the time, date, venue and agenda at least 3 clear days before a meeting of the Council or a meeting of a committee or a sub- committee (provided that the public notice with agenda of an extraordinary meeting of the Council convened by councillors is signed by them).
iii. Convene a meeting of full Council for the election of a new Mayor, occasioned by a casual vacancy in the office, in accordance with standing order 3(b)i above.
iv. Make available for inspection the minutes of meetings.
v. Receive and retain copies of byelaws made by other local authorities.
vi. Receive and retain declarations of acceptance of office from councillors.
vii. Retain a copy of every councillor's register of interests and any changes to it and keep copies of the same available for inspection.

viii. Keep proper records required before and after meetings;

ix. Process all requests made under the FOI 2000 and Data Protection Act 1998, in accordance with and subject to the Council's procedures relating to the same.

x. Receive and send general correspondence and notices on behalf of the Council except where there is a resolution to the contrary.

xi. Manage the organisation, storage of and access to information held by the Council in paper and electronic form.

xii. Arrange for legal deeds to be signed by 2 councillors and witnessed

xiii. Arrange for the prompt authorisation, approval, and instruction regarding any payments to be made by the Council in accordance with the Council's financial regulations.

xiv. Where Council comments on a planning application it shall be entered onto the planning authority database that permits searching by address.

xv. Refer a planning application received by the Council to the Chairman of the Planning Committee within 2 working days of receipt to facilitate an extraordinary meeting if the nature of a planning application requires consideration before the next ordinary meeting of the Council

xvi. Action or undertake activity or responsibilities instructed by resolution or contained in standing orders.

4 Motions requiring written notice

a No motion may be moved at a meeting unless it is included in the agenda and the mover has given written notice of its wording to the Council's Proper Officer at least 7 clear days before the next meeting.

b The Proper Officer may, before including a motion in the agenda received in accordance with standing order 4(a) above, correct obvious grammatical or typographical errors in the wording of the motion.

c If the Proper Officer considers the wording of a motion received in accordance with standing order 4(a) above is not clear in meaning, the motion shall be rejected until the mover of the motion resubmits it in writing to the Proper Officer in clear and certain language at least 5 clear days before the meeting.

d If the wording or nature of a proposed motion is considered unlawful or improper, the Proper Officer shall consult with the Chairman of the forthcoming meeting or, as the case may be, the Councillors who have convened the meeting, to consider whether the motion shall be included in or rejected from the agenda.

e Having consulted the Chairman or councillors pursuant to standing order 4(d) above, the decision of the Proper Officer as to whether or not to include the motion in the agenda shall be final.

f Every motion and resolution shall relate to the Council's statutory functions, powers and lawful obligations or shall relate to an issue which specifically affects the Council's area or its residents.

5 Motions not requiring written notice

a Motions in respect of the following matters may be moved without written notice.

i. To appoint a person to preside at a meeting.
ii. To approve the absences of councillors.
iii. To approve the accuracy of the minutes of the previous meeting.
iv. To correct an inaccuracy in the minutes of the previous meeting.
v. To dispose of business, if any, remaining from the last meeting.
vi. To alter the order of business on the agenda for reasons of urgency or expedience.
vii. To proceed to the next business on the agenda.
viii. To close or adjourn debate.
ix. To refer by formal delegation a matter to a committee or to a sub-committee or an employee.
x. To appoint a committee or sub-committee or any councillors (including substitutes) thereto.
xi. To receive nominations to a committee or sub-committee.
xii. To dissolve a committee or sub-committee.
xiii. To note the minutes of a meeting of a committee or sub-committee.
xiv. To consider a report and/or recommendations made by a committee or a sub- committee or an employee.
xv. To consider a report and/or recommendations made by an employee, professional advisor, expert or consultant.
xvi. To authorise legal deeds to be signed by two councillors and witnessed..
xvii. To amend a motion relevant to the original or substantive motion under consideration which shall not have the effect of nullifying it.
xviii. To extend the time limit for speeches.
xix. To exclude the press and public for all or part of a meeting.
xx. To silence or exclude from the meeting a Councillor or a member of the public for disorderly conduct.
xxi. To give the consent of the Council if such consent is required by standing orders.
xxii. To suspend any standing order except those which are mandatory by law.
xxiii. To adjourn the meeting.
xxiv. To appoint representatives to outside bodies and to make arrangements for those representatives to report back the activities of outside bodies.
xxv. To answer questions from councillors.

b If a motion falls within the terms of reference of a committee or sub-committee or within the delegated powers conferred on an employee, a referral of the same may be made to such committee or sub-committee or employee provided that the Chairman may direct for it to be dealt with at the present meeting for reasons of urgency or expedience.

6 Rules of debate

a Motions included in an agenda shall be considered in the order that they appear on the agenda unless the order is changed at the Chairman’s direction for reasons of expedience.

b A motion shall not be considered unless it has been proposed and seconded.

c A motion to amend an original or substantive motion shall not be considered unless proper notice has been given after the original or substantive motion has been seconded and notice of such amendment, shall, if required by the Mayor, be reduced to writing and handed to the Mayor who shall determine the order in which they are considered.

d A Councillor may move amendments to his own motion. If a motion has already been seconded, an amendment to it shall be with the consent of the seconder.

e Any amendment to a motion shall be either:

i. to leave out words;

ii. to add words;

iii. to leave out words and add other words.

f A proposed or carried amendment to a motion shall not have the effect of rescinding the original or substantive motion under consideration.

g Only one amendment shall be moved and debated at a time, the order of which shall be directed by the Mayor. No further amendment to a motion shall be moved until the previous amendment has been disposed of.

h Pursuant to standing order 6(h) above, the number of amendments to an original or substantive motion, which may be moved by a councillor, is limited to one.

i If an amendment is not carried, other amendments shall be moved in the order directed by the Mayor.

j If an amendment is carried, the original motion, as amended, shall take the place of the original motion and shall become the substantive motion upon which any further amendment may be moved.

k The mover of a motion or the mover of an amendment shall have a right of reply, not exceeding 2 minutes.

l Where a series of amendments to an original motion are carried, the mover of the original motion shall have a right of reply in respect of the substantive motion at the very end of debate and immediately before it is put to the vote.

m A councillor may not speak further in respect of any one motion except to speak once on an amendment moved by another councillor or to make a point of order or to give a personal explanation.

n During the debate of a motion, a councillor may interrupt only on a point of order or a personal explanation and the councillor who was interrupted shall stop speaking. A Councillor raising a point of order shall identify the standing order which he considers has been breached or specify the irregularity in the meeting he is concerned by.

o A point of order shall be decided by the Mayor and his decision shall be final.

p With the consent of the seconder and/or of the meeting, a motion or amendment may be withdrawn by the proposer. A councillor shall not speak upon the said motion or amendment unless permission for the withdrawal of the motion or amendment has been refused.

q When a councillor's motion is under debate no other motion shall be moved except:

i. to amend the motion;
ii. to proceed to the next business;
iii. to adjourn the debate;
iv. to put the motion to a vote;
v. to ask a person to be silent or for him to leave the meeting;
vi. to refer a motion to a committee or sub-committee for consideration;
vii. to exclude the public and press;
viii. to adjourn the meeting;
ix. to suspend any standing order, except those which are mandatory.

The Mayor shall first be satisfied that the motion has been sufficiently debated before it is seconded and put to the vote. The Chairman shall call upon the mover of the motion under debate to exercise or waive his right of reply and shall put the motion to the vote after that right has been exercised or waived. The adjournment of a debate or of the meeting shall not prejudice the mover's right of reply at the resumption.

7 Code of conduct

a All councillors shall observe the code of conduct adopted by the Council.

b Councillors with a Disclosable Pecuniary Interest in relation to any item of business being transacted at a meeting are required to leave the room or chamber.

8 Questions

a A councillor seeking a formal response to a question concerning any business of the Council is required to give 5 clear days notice of the question to the Proper Officer.

b General questions pertaining to matters on the agenda may be put without notice.

c Questions not related to items of business on the agenda shall only be asked during the part of the meeting set aside for such questions

9 Minutes

a If a copy of the draft minutes of a preceding meeting has been circulated to councillors no later than the day of service of the summons to attend the scheduled meeting they shall be taken as read.

b No discussion of the draft minutes of a preceding meeting shall take place except in relation to their accuracy. A motion to correct an inaccuracy in the minutes may be moved without notice.

c Minutes, including any amendment to correct their accuracy, shall be confirmed by resolution and shall be signed by the Mayor/Chairman of the meeting and stand as an accurate record of the meeting to which the minutes relate.

d If the Mayor/Chairman of the meeting does not consider the minutes to be an accurate record of the meeting to which they relate, she/he shall sign the minutes and include a paragraph in the following terms or to the same effect:

> *"The Chairman of this meeting does not believe that the minutes of the meeting of the ( ) held on [date] in respect of ( ) were a correct record but his view was not upheld by the majority of the ( ) and the minutes are confirmed as an accurate record of the proceedings."*

e Upon a resolution which confirms the accuracy of the minutes of a meeting, any previous draft minutes or recordings of the meeting shall be destroyed.

10 Disorderly conduct

a No person shall obstruct the transaction of business at a meeting or behave offensively or improperly.

b If, in the opinion of the Mayor/Chairman, there has been a breach of standing order 10(a) above, the Mayor/Chairman shall express that opinion and thereafter any councillor (including the Mayor/Chairman) may move that the person be silenced or excluded from the meeting, and the motion, if seconded, shall be put forthwith and without discussion.

If a resolution made in accordance with standing order 10(b) above, is disobeyed, the Mayor/Chairman may take such further steps as may reasonably be necessary to enforce it and/or s/he may adjourn the meeting.

11 Rescission of previous resolutions

a A resolution (whether affirmative or negative) of the Council shall not be reversed within 6 months except either by a special motion, the written notice whereof bears the names of at least 4 councillors of the Council, or by a motion moved in pursuance of the report or recommendation of a committee.

b When a special motion or any other motion moved pursuant to standing order 11(a) above has been disposed of, no similar motion may be moved within a further 6 months.

12 Voting on appointments

a Where more than 2 persons have been nominated for a position to be filled by the Council and none of those persons has received an absolute majority of votes in their favour, the name of the person having the least number of votes shall be struck off the list and a fresh vote taken. This process shall continue until a majority of votes is given in favour of one person. Any tie may be settled by the Mayor/Chairman’s casting vote.

13 Expenditure

a Any expenditure incurred by the Council shall be in accordance with the Council’s financial regulations.

b The Council’s financial regulations shall be reviewed once a year.

c The Council’s financial regulations may make provision for the authorisation of the payment of money in exercise of any of the Council’s functions to be delegated to a committee, sub-committee or to an employee.

14 Execution and sealing of legal deeds

a A legal deed shall not be executed on behalf of the Council unless the same has been authorised by a resolution.

b In accordance with a resolution made under standing order 14(a) above, any two members of the Council, may sign, on behalf of the Council, any deed required by law and the Proper Officer shall witness their signatures.

15 Committees

a The Council may, at its annual meeting, appoint standing committees, committees may do the following

i. shall determine their terms of reference;
ii. a councillor may only be a Chairman of one Committee
iii. the Mayor is not permitted to be a Chairman of any Committee
iv. committees to determine the dates and times of their meetings;
v. shall appoint and determine the term of office of councillor or non-councillor members of such a committee (unless the appointment of non-councillors is prohibited by law) so as to hold office no later than the next annual meeting;
vi. may in accordance with standing orders, dissolve a committee at any time.

16 Sub-committees

a Unless there is a Council resolution to the contrary, every committee may appoint a sub-committee whose terms of reference and members shall be determined by resolution of the committee.

17 Extraordinary meetings

a The Mayor may convene an extraordinary meeting of the Council at any time.

b If the Mayor does not or refuses to call an extraordinary meeting of the Council within 7 days of having been requested to do so by two councillors, those two councillors may convene an extraordinary meeting of the Council. The statutory public notice giving the time, venue and agenda for such a meeting must be signed by the two councillors.

c The Chairman of a committee (or a sub-committee) may convene an extraordinary meeting of the committee or sub-committee at any time.

d If the Chairman of a committee (or a sub-committee) does not or refuses to call an extraordinary meeting within 7 days of having been requested by to do so by 2 councillors, those 2 councillors may convene an extraordinary meeting of a committee (or a sub-committee). The statutory public notice giving the time, venue and agenda for such a meeting must be signed by 2 councillors.

18 Advisory committees

a The Council may appoint advisory committees comprised of a number of councillors and non-councillors.

b Advisory committees and any sub-committees may consist wholly of persons who are non-councillors.

19 Accounts and Financial Statement

a All payments by the Council shall be authorised, approved and paid in accordance with the Council's financial regulations, which shall be reviewed at least annually.

b The Responsible Financial Officer shall circulate a statement summarising the Council's financial position prior to each Town Council meeting and at any other time should a member request the information. This statement should include a comparison with the budget for the financial year. A Financial Statement prepared on the appropriate accounting basis (receipts and payments, or income and expenditure) for a year to 31 March shall be presented to each councillor before the end of the following month of May. The Statement of Accounts of the Council (which is subject to external audit), including the annual governance statement, shall be presented to Council for formal approval before 30 June.

20 Estimates/precepts

a The Council shall approve written estimates for the coming financial year at its meeting before the end of January.

21 Canvassing of and recommendations by councillors

a Canvassing councillors or the members of a committee or sub-committee, directly or indirectly, for appointment to or by the Council shall disqualify the candidate from such an appointment. The Proper Officer shall disclose the requirements of this standing order to every candidate.

b A councillor or a member of a committee or sub-committee shall not solicit a person for appointment to or by the Council or recommend a person for such appointment or for promotion; but, nevertheless, any such person may give a written testimonial of a candidate's ability, experience or character for submission to the Council with an application for appointment.

c This standing order shall apply to tenders as if the person making the tender were a candidate for an appointment.

22 Inspection of documents

a Subject to standing orders to the contrary or in respect of matters which are confidential, a councillor may, for the purpose of his official duties (but not otherwise), inspect any document in the possession of the Council or a committee or a sub-committee, and request a copy for the same purpose. The minutes of meetings of the Council, its committees or sub-committees shall be available for inspection by councillors.

23 Unauthorised activities

a Unless authorised by a resolution, no individual councillor shall in the name or on behalf of the Council, a committee or a sub-committee:

i. inspect any land and/or premises which the Council has a right or duty to inspect; or

ii. issue orders, instructions or directions.

24 Confidential business

a Councillors shall not disclose information given in confidence or which they believe, or ought to be aware is of a confidential nature.

b A councillor in breach of the provisions of standing order 24(a) above may be removed from a committee or a sub-committee by a resolution of the Council.

25 Matters affecting council employees

a I a meeting considers any matter to a Council employee, it shall not be considered until the Council committee has decided whether or not the press and public shall be excluded pursuant to standing order 1(c)

b Subject to the Council's policy regarding absences from work, the Council's most senior employee shall notify the Mayor or in their absence, the Deputy Mayor

c The Policy and Operations Committee appointed Personnel Panel shall upon a resolution conduct a review of the performance of the Chief Officer and shall keep a written record of it. The review shall be reported back and shall be subject to approval by resolution by the Full Council

d Subject to the Council's policy regarding the handling of grievance matters, the Council's most senior employee shall contact the Mayor of the Council or in his/her absence, the Deputy Mayor. If the complainant does not wish to put the complaint to the Chief Officer they will be advised to put it to the Town Mayor or in his/her absence, the Deputy Mayor who will refer the matter to the Policy and Operations Committiees, Personnel Panel. The Personnel Committee/Panel will then hold an enquiry with the complainant and any relevant witnesses.

e Subject to the Council's policy regarding the handling of grievance and disciplinary matters, if an informal or formal grievance matter raised by Chief Officer relates to the Mayor or Deputy Mayor of the Council this shall be communicated to another member of the Council which shall be reported back and progressed by resolution of the Council.

f Any persons responsible for all or part of the management of Council employees shall keep written records of all meetings relating to their performance, and capabilities, grievance and disciplinary matters.

g The Council shall keep written records relating to employees secure. All paper records shall be secured under lock and electronic records shall be password protected.

h Records documenting reasons for an employee's absence due to ill health or details of a medical condition shall be made available only to those persons with responsibility for the same.

i Only persons with line management responsibilities shall have access to employee records Access and means of access by keys and/or computer passwords to records of employment shall be provided only to the Chief Officer and/or the Mayor of the Council OR in his/her absence the Deputy Mayor.

26 Freedom of Information Act 2000

a All requests for information held by the Council shall be processed in accordance with the Council's policy in respect of handling requests under the Freedom of Information Act 2000.

b Correspondence from, and notices served by, the Information Commissioner shall be referred by the Proper Officer to the chairman of the Finance and Resources Committee. The said committee shall have the power to do anything to facilitate compliance with the Freedom of Information Act 2000 including exercising the powers of the Proper Officer in respect of Freedom of Information requests set out under standing order 3(b)(x) above.

27 Relations with the press/media

a All requests from the press or other media for an oral or written statement or comment from the Council shall be processed in accordance with the Council's policy in respect of dealing with the press and/or other media.

28 Liaison with Unitary Councillors

a An invitation to attend a meeting of the Council shall be sent, together with the agenda, to the councillors of the Unitary Council representing its electoral ward.

b Unless the Council otherwise orders, a copy of each letter sent to the Unitary Council shall be sent to the Unitary Council councillor representing its electoral ward.

29 Financial matters

a The Council shall consider and approve financial regulations drawn up by the Responsible Financial Officer, which shall include detailed arrangements in respect of the following:

i. the accounting records and systems of internal control;

ii. the assessment and management of financial risks faced by the Council;

iii. the work of the Internal Auditor and the receipt of regular reports from the Internal Auditor, which shall be required at least annually;

iv. the inspection and copying by councillors and local electors of the Council's accounts and/or orders of payments;

v. procurement policies (subject to standing order 30(b) below) including the setting of values for different procedures where the contract has an estimated value of less than £50,000.

b Any proposed contract for the supply of goods, materials, services and the execution of works with an estimated value in excess of £50,000 shall be procured on the basis of a formal tender as summarised in standing order 30(c) below.

c Any formal tender process shall comprise the following steps:

i. a public notice of intention to place a contract to be placed in a local newspaper;

ii. a specification of the goods, materials, services and the execution of works shall be drawn up;

iii. tenders are to be sent, in a sealed marked envelope, to the Proper Officer by a stated date and time;

iv. tenders submitted are to be opened, after the stated closing date and time, by the Proper Officer and at least one member of the Council;

v. tenders are then to be assessed and reported to the Finance and Resources Committee.

d Neither the Council, nor any committee, is bound to accept the lowest tender, estimate or quote.

e Where the value of a contract is likely to exceed £138,893 (or other threshold specified by the Office of Government Commerce from time to time) the Council must consider whether the Public Contracts Regulations 2006 (SI No.5, as amended) and the Utilities Contracts Regulations 2006 (SI No. 6, as amended) apply to the contract and, if either of those Regulations apply, the Council must comply with EU procurement rules.

30 Allegations of breaches of the code of conduct

a On receipt of a notification that there has been an alleged breach of the code of conduct the Proper Officer shall refer it to a committee known as the P & O Committee.

b Where the notification relates to a complaint made by the Proper Officer, the Proper Officer shall notify the Chairman of the P & O Committee of that fact, who, upon receipt of such notification, shall nominate a person to assume the duties of the Proper Officer set out in the remainder of this standing order, who shall continue to act in respect of that matter as such until the complaint is resolved.

c Where a notification relates to a complaint made by an employee (not being the Proper Officer) the Proper Officer shall ensure that the employee in question does not deal with any aspect of the complaint.

d The subject matter of notifications shall be confidential and, insofar as it is possible to do so by law, the Council (including the Proper Officer and the Chairman of the P & O Committee) shall take the steps set out below, together with other steps considered necessary, to maintain confidentiality.

i. Draft the summonses and agendas in such a way that the identity and subject matter of the complaint are not disclosed.
ii. Ensure that any background papers containing the information set out in standing order 31(a) above are not made public.
iii. Ensure that the public and press are excluded from meetings as appropriate.
iv. Ensure that the minutes of meetings preserve confidentiality.
v. Consider any liaison that may be required with the person or body with statutory responsibility for the investigation of the matter.

e Standing order 31(d) above should not be taken to prohibit the Council (whether through the Proper Officer or the Chairman of the P & O Committee. or otherwise) from disclosing information to members and officers of the Council or to other persons where such disclosure is necessary to deal with the complaint or is required by law.

f The P & O Committee shall have the power to:
i. seek documentary and other evidence from the person or body with statutory responsibility for investigation of the matter;
ii. seek and share information relevant to the complaint;
iii. grant the member involved a financial indemnity in respect of legal costs, which shall be in accordance with the law and subject to approval by a meeting of the full Council.

g References in standing order 31 to a notification shall be taken to refer to a communication of any kind which relates to a breach or an alleged breach of the code of conduct by a councillor.

31 Variation, revocation and suspension of standing orders

a Any or every part of the standing orders, except those which are mandatory by law, may be suspended by resolution in relation to any specific item of business.

b A motion to add to or vary or revoke one or more of the Council's standing orders, not mandatory by law, shall be proposed by a special motion, the written notice whereof bears the names of at least 4 councillors.

32 Standing orders to be given to councillors

a The Proper Officer shall provide a copy of the Council's standing orders to a councillor upon delivery of his declaration of acceptance of office.

b The Chairman's decision as to the application of standing orders at meetings shall be final.

c A councillor's failure to observe standing orders more than 3 times in one meeting may result in him being excluded from the meeting in accordance with standing orders.

Report to : AGM

Meeting Date : 20th May 2024

Agenda Item : 20

Prepared By : Chris Shaw

Subject : Meetings Calendar

Meetings Calendar 2024-2025

May 2024	
20th 6.00 p.m.	Town and Parish Meeting
20th 7.00 p.m.	Annual General Meeting
21st 6.00 p.m.	Finance and General Purposes Committee
28th 5.00 p.m.	Planning and Environment Committee

June 2024	
3rd 6.00 p.m.	Town Council
17th 6.30 p.m.	Finance and General Purposes Committee
24th 5.00 p.m.	Planning and Environment Committee

July 2024	
1st 6.00 p.m.	Town Council
15th 6.30 p.m.	Finance and General Purposes Committee
18th 6.30 p.m.	Grants Committee Meeting
22nd 5.00 p.m.	Planning and Environment Committee

August 2024	
Recess no Town Council Meeting held.	
19th 6.30 p.m.	Finance and General Purposes Committee
26th 5.00 p.m.	Planning and Environment Committee

September 2024	
2nd 6.00 p.m.	Town Council
23rd 6.30 p.m.	Finance and General Purposes Committee
30th 5.00 p.m.	Planning and Environment Committee

October 2024	
7th 6.00 p.m.	Town Council
21st 6.30 p.m.	Finance and General Purposes Committee
28th 5.00 p.m.	Planning and Environment Committee

November 2024	
4th 6.00 p.m.	Town Council
14th 6.00pm	Grants Committee Meeting
18th 6.30 p.m.	Finance and General Purposes Committee
25th 5.00 p.m.	Planning and Environment Committee

December 2024	
2nd 6.00 p.m.	Town Council
23rd 6.30 p.m.	Finance and General Purposes Committee
30th 5.00 p.m.	Planning and Environment Committee

January 2025	
6th 6.00 p.m.	Town Council
20th 6.30 p.m.	Finance and General Purposes Committee
27th 5.00 p.m.	Planning and Environment Committee

February 2025	
3rd 6.00 p.m.	Town Council
17th 6.30 p.m.	Finance and General Purposes Committee
24th 5.00 p.m.	Planning and Environment Committee

March 2025	
3rd 6.00 p.m.	Town Council
24th 6.30 p.m.	Finance and General Purposes Committee
31st 5.00 p.m.	Planning and Environment Committee

April 2025	
7th 6.00 p.m.	Town Council
21st 6.30 p.m.	Finance and General Purposes Committee
28th 5.00 p.m.	Planning and Environment Committee

Information

Full Council meetings are held on the 1st Monday of each month at 6.00 pm, with the exception of Bank Holidays when the meeting will be held the following Monday.

Planning & Environment Committee meetings are held on the 4th Monday of each month.

Finance & General Purposes Committee meetings are held on the 3rd Monday of each month.

The Amenities Committee, Grants Committee and Policy and Operations Committee meet on an ad hoc basis as required.

Meeting times for all committees will be shown in agendas posted on the Council website and notice board 5 days beforehand.

Members of the public can attend all meetings but will be unable to make any comments.

If a member of the public wishes to bring an issue to the Town Council this must be put in writing to the Chief Officer at least 7 working days before the meeting and may speak in the 'Open Forum', for a maximum of 10 minutes and 10 minutes for questions. No discussion will take place, but the member of the public will be responded to in writing as necessary.

Report to : AGM

Meeting Date : 20th May 2024

Agenda Item : 19

Prepared By : Chris Shaw

Subject : Councillors Attendance at Meetings 23/24

Councillors Attendance at Meetings 23/24
Full Council

Members	June	July	August	Sept	October	Nov	Dec	January	February	March	April
JOANNE CALLAGHAN	✓	✓		✓	✓	✗	✓	✓	✓	✓	✓
KATE CERNIK	✓	✓		✗	✓	✗	✓	✓	✓	✓	✗
BOB CERNIK	✓	✓		✗	✓	✗	✓	✓	✓	✓	✗
ANDREW COOPER	✓	✓		✓	✗	✗	✓	✓	✓	✓	✓
OLWYN DEAN	✓	✗		✗	✗	✓	✗	✗	✗	✓	✗
GRAHAM EMMETT	✓	✓	N	✓	✗	✓	✗	✓	✓	✓	✗
CATHERINE FOX	✓	✗	O	✗	✓	✗	✓	✗	✓	✓	✗
ALISON GERRARD	✗	✗		✗	✗	✓	✗	✗	✗	✓	✗
MRS JANET ILLIDGE	✗	✗		✗	✗	✓	✓	✓	✗	✓	✓
ANDREW KENT	✓	✓	M	✓	✓	✓	✓	✓	✓	✓	✓
AMY LOCKETT	✗	✗	E	✓	✓	LOA	LOA	LOA	LOA	LOA	LOA
JULIE MACDONALD	✓	✓	E	✓	✓	✗	✓	✓	✓	✓	✗
ARTHUR NEIL	✓	✓	T	✓	✓	✓	✗	✓	✓	✗	✗
PATRICIA PARKES	✓	✓	I	✓	✗	✓	✓	✗	✓	✗	✓
TOM MELVILLE	✓	✓	N	✗	✗	✗	✓	✗	✗	✗	✓
SAM NAYLOR	✓	✓	G	✓	✓	✓	✓	✗	✓	✓	✗

Members	June	July	August	Sept	October	November	December	January	February	March	April
LEE SIDDALL	✓	✓		✓	✓	✓	✓	✓	✓	✓	✓
CATRIONA STEWART	✓	✓		✓	✓	✓	✓	✓	✓	✓	✓
ANDREW STOTT	✓	✓		✓	✓	✓	✓	✓	✓	✓	✓
JANE THOMAS	✓	✓		✓	✓	✓	✓	✓	✓	✓	✓
RACHEL WATERMAN	✓	✓		✓	✓	✓	✓	✓	✓	✗	✓

FINANCE AND GENERAL PURPOSES COMMITTEE

Members	June	July	August	Sept	October	Nov	December	January	February	March	April
TOM MELVILLE	✓	✓	✓	✓	✗	✗	✓	✗	✗	✗	✗
SAM NAYLOR	✓	✓	✓	✗	✗	✗	✓	✓	✓	✓	✓
KATE CERNIK	✓	✓	✓	✗	✓	✗	✓	✓	✓	✗	✓
LEE SIDDALL	✓	✓	✓	✓	✗	✗	✓	✓	✓	✓	✓
ALISON GERRARD	✓	✗	✗	✗	✗	✗	✗	✓	✗	✗	✗
JANE THOMAS	✓	✓	✓	✓	✓	✓	✓	✗	✓	✗	✗
CATHERINE FOX	✓	✓	✓	✗	✓	✓	✓	✗	✓	✗	✗
JULIE MACDONALD	✗	✓	✗	✗	✓	✗	✓	✓	✓	✓	✓
RACHEL WATERMAN	✓	✓	✗	✗	✓	✓	✓	✓	✓	✓	✓

PLANNING

Members	June	July	August	September	October	November	December	January	February	March	April
LEE SIDDALL	✓	✓	✗	✓	✓	✗	*N*	✓	✓	✗	✗
PATRICIA PARKES	✗	✗	✓	✓	✓	✗	*O*	✗	✓	✗	✓
JO CALLAGHAN	✓	✗	✓	✗	✗	✓		✓	✗	✓	✓
ANDY KENT	✓	✓	✓	✗	✓	✓	*M*	✓	✗	✓	✗
CATRIONA STEWART	✓	✓	✓	✗	✓	✓	*E*	✓	✗	✓	✓
ANDY STOTT	✓	✓	✓	✓	✓	✓	*E*	✓	✗	✓	✓
JANET ILLIDGE	✓	✓	✗	✓	✓	✓	*T*	✗	✓	✓	✓
ANDREW COOPER	✓	✗	✓	✗	✗	✗	*I*	✗	✗	✓	✓
OLWYN DEAN	✗	✗	✗	✓	✗	✗	*N*	✓	✓	✗	✓
CATHERINE FOX	✗	✓	✓	✓	✗	✗	*G*	✓	✗	✓	✓

GRANTS

Members	November	March	Members	November	March
AMY LOCKETT	✗	✗	PATRICIA PARKES	✗	✗
JULIE MACDONALD	✓	✗	JANE THOMAS	✓	✗
KATE CERNIK	✓	✓	ROBERT CERNIK	✓	✓
CATRIONA STEWART	✓	✗	RACHEL WATERMAN	✓	✓
TOM MELVILLE	✗	✓	JANET ILLIDGE	✓	✓

Northwich Town Council

Internal Audit 2023/24

Second Interim Report

JDH BUSINESS SERVICES LTD

Registered to carry on audit work by the Institute of Chartered Accountants in England and Wales

INTERNAL AUDIT REPORT
NORTHWICH TOWN COUNCIL

The internal audit was carried out by undertaking the following tests in the AGAR Annual Return for Local Councils in England:

- Checking that books of account have been properly kept throughout the year
- Checking a sample of payments to ensure that the Council's financial regulations have been met, payments are supported by invoices, expenditure is approved, and VAT is correctly accounted for
- Reviewing the Council's risk assessment and ensuring that adequate arrangements are in place to manage all identified risks
- Verifying that the annual precept request is the result of a proper budgetary process; that budget progress has been regularly monitored and that the council's reserves are appropriate
- Checking income records to ensure that the correct price has been charged, income has been received, recorded and promptly banked and VAT is correctly accounted for
- Reviewing petty cash records to ensure payments are supported by receipts, expenditure is approved and VAT is correctly accounted for
- Checking that salaries to employees have been paid in accordance with Council approvals and that PAYE and NI requirements have been properly applied
- Checking the accuracy of the asset and investments registers
- Testing the accuracy and timeliness of periodic and year-end bank account reconciliation(s)
- Year end testing on the accuracy and completeness of the financial statements
- The authority has complied with the publication requirements for the prior year AGAR.
- The authority correctly provided for a period for the exercise of public rights for the prior year AGAR
- The authority published required information on a website up to date at the time of the internal audit in accordance with relevant legislation.

The interim internal audits provide evidence to support the annual internal audit conclusion in the AGAR Annual Return for local councils.

Conclusion
On the basis of the internal audit work carried out, which was limited to the tests indicated above, in our view the council's system of internal controls is in place, adequate for the purpose intended and effective, subject to the recommendations reported in the action plan overleaf. As part of the internal audit work for the next financial year we will follow up all recommendations included in the action plan.

JDH Business Services Limited

	ISSUE	RECOMMENDATION	FOLLOW UP
2023/24 First interim internal audit			
1	**Recurring Issue** VAT of 20% was applied to the hire of chapel for £1,300 in February 2024 (Invoice 7422). Room/hall hire is normally exempt from VAT unless the council had previously opted to tax this supply, which it has not. Therefore, it is not clear why VAT has been charged on this item.	***Recurring Recommendation*** *The correct VAT treatment should be applied to all chargeable services.* *It would be beneficial if external VAT support is secured to review all chargeable services to determine the VAT correct status.*	VAT training has now been arranged for all staff involved in VAT. We have now received VAT advise from CHALC and NALC from their VAT advisor.
2023/24 Second interim internal audit			
1	A substantial skatepark contract was undertaken during the year which was above the threshold for applying the formal tender process as prescribed in the Financial Regulations (FRs) and Standing Orders. However, the market testing exercise comprised securing three	*The council must comply with the procurement requirements of the Financial Regulations, and where exemption(s) are applied, record the council decision in the minutes and reference to the Financial Regulations.*	Purchase order number 10747 has now been issued for the contract.

	ISSUE	RECOMMENDATION	FOLLOW UP
	priced quotations of the supply based on a comprehensive specification rather than an advertised tender due to the specialist nature of the contract. Potential providers were invited to provide their designs and costings with public consultation determining the design that was selected. Minutes do not record the decision to dispense with the standard tender requirements of the FRs/SOs and instead follow the process described above. No appropriately authorised Purchase Order was issued for the commencement of this contract.	*Appropriately authorised Purchase Orders must be issued for all significant contracts.*	We have now implemented a new procedure for the issuing of purchase orders using the RBS system.
2	The council may charge VAT on certain categories of sports fees. In 2023 HMRC published a paper 'Changes to VAT treatment of local authority leisure services' noting that Local Authorities were currently treated as undertaking a business activity if they provide leisure services to members of the public. This treatment was challenged and the matter was	*The council need to review the HMRC guidance on the VAT treatment of leisure services and secure guidance from a VAT expert as to what impact the changes will have on the council and what claims (if any) are required to be submitted to HMRC for the current and earlier years.*	We have received VAT advise from the CHALC/NALC VAT adviser. We will making adjustments and looking into claims.

	ISSUE	RECOMMENDATION	FOLLOW UP
	considered by the courts. who found that local authorities' leisure services are provided under a statutory framework and can be treated as non-business for VAT purposes.		
3	Sample testing of income identified the following issued regarding VAT: • Sample item from 01/12/2023 No 1 Sales Ledger Sales Daybook Summary 1726 of £3,014.7 identified VAT of £62.40 had been charged on a casket for a vault burial of ashes. However, VAT is not usually applied to caskets. • Sample item from 01/12/2023 No 1 Sales Ledger Sales Daybook Summary 1722 £1,320.00. We identified that VAT had been charged on the room hire. We have previously reported to the council that VAT should not be charged	*Recurring Issue:* *The correct VAT treatment should be applied to all chargeable services.* *The council urgently need to ensure finance staff are trained in VAT and that, as previously recommended, external support with reviewing VAT categories such as Vickersway is secured. It would clearly be beneficial if this external support reviewed all chargeable service detailed categories and determined the VAT status.*	We have received VAT advise from the CHALC/NALC VAT adviser. We haven also undertaken VAT training for all staff.

	ISSUE	RECOMMENDATION	FOLLOW UP
	on room hire.		
4	There is no formal budget timetable in place evidencing the key milestones leading to the agreement of the precept request for the year and approval of the annual budget.	*A comprehensive formal budget timetable should be established annually covering the main elements of the Council's budget setting process together with key dates and responsibilities.*	This will be implemented in 24/25.
5	The tender threshold is stated as £50000 in the council Standing Orders, and £25,000 in the Financial Regulations.	*The tender threshold in the Standing Orders and Financial Regulations. Should be consistent.*	This will be adjusted to ensure they are consistent.
6	We could not identify the following information published on the council website as prescribed in the Transparency Code: *PUBLICATION 32. Local authorities must also publish details of any contract, commissioned activity, purchase order, framework agreement and any other legally enforceable agreement with a value that exceeds £5,000. For each contract, the following details must be published:* - *reference number* - *title of agreement*	*The council should ensure the website is maintained up to date and that it complies fully with the publication requirements of the Local Authority Transparency Code 2015.*	Advice will be taken with regards to uploading this information.

	ISSUE	RECOMMENDATION	FOLLOW UP
	- *LA department responsible* - *description of the goods and/or services being provided* - *supplier name and details* - *sum to be paid over the length of the contract or the estimated annual spending or budget for the contract* - *Value Added Tax that cannot be recovered* - *start, end and review dates* - *whether or not the contract was the result of an invitation to quote or a published invitation to tender, and* - *whether or not the supplier is a small or medium sized enterprise and/or a voluntary or community sector organisation and where it is, provide the relevant registration number*		
7	The budgetary control reports presented to committee do not identify those variances in excess of the threshold in the Financial Regulations requiring written explanation. Financial Regulations state the following:	*The budgetary control information provided to council should comply with Financial Regulation requirements by highlighting those variances in the report which are in excess of the threshold set in the Financial regulations where a written explanation is needed.*	Chief Officer reviews all budget headings in detail with the Finance Committee at each monthly meeting.

	ISSUE	RECOMMENDATION	FOLLOW UP
	4.8. The Clerk shall regularly provide the council with a statement of receipts and payments to date under each head of the budgets, comparing actual expenditure to the appropriate date against that planned as shown in the budget. These statements are to be prepared at least at the end of each financial quarter and shall show explanations of material variances. For this purpose "material" shall be in excess of 15% of the budget.		This is provided at each monthly Finance Committee meeting.
8	The BACS Cashbook payment allocation on 18/11/2023 for Witton Cemetery wages of £5,324.67 did not agree to the payroll allocation spreadsheet total of £5323.17.	*The difference between the cashbook Rialtas allocation and the payroll spreadsheet should be reviewed and any error(s) in allocation of payroll rectified within the Rialtas system.*	Incorrect spreadsheet sent in error. Correct spreadsheet sent and no error appears.
2022/23 Year end internal audit			
1	The council carried out a review of fixed assets during the year which resulted in the reclassification of a significant number of assets as community assets, with the value changed from acquisition cost to a notional value of £1. This is the primary reason for the reduction in fixed assets from £1,301,107 in	*The council should ensure the new policy with respect to fixed assets including classification of certain types of assets as community assets is set out in a formal policy approved by council.* *The council should query with the external auditor whether they require the 2021/22 fixed asset value in the AGAR to be restated*	**Recommendation Outstanding** **2021/22 AGAR restatement not implemented**

	ISSUE	RECOMMENDATION	FOLLOW UP
	2021/22 to £546,264 2022/23. However, the revised approach with respect to the different categories of assets was not formally set out in a policy for adoption by council and the prior year fixed asset figure has not been restated on a like for like basis. The council has approved the revised fixed asset register. The Practitioners Guide extract below states the following with respect to fixed assets: *5.63. The particular method of asset valuation is not specified in proper practices so authorities may use any reasonable approach* ***to be applied consistently from year to year****.* ***The method of asset valuation adopted should be set out in a policy approved by the authority and recorded in the authority's minutes and in the asset register.*** *5.64. For authorities covered by this guide, the most appropriate and commonly used method of fixed asset valuation for first registration on the asset register is at acquisition cost. This means that the recorded value of the asset will not change from year to year, unless it is materially enhanced.*	*on a like for like basis with the 2022/23 fixed assets revised valuation approach.*	

	ISSUE	RECOMMENDATION	FOLLOW UP
2	The fidelity cover is currently £1,000,000, however, fidelity insurance should aim to cover the maximum projected cash and bank balances which is estimated as the year end cash and bank balances of £484,116 plus the next precept instalment of £562,070, which gives an estimated maximum projected balances of at least £1,046,186. Financial Regulations require the following: *15.5. All appropriate members and employees of the council shall be included in a suitable form of security or fidelity guarantee insurance which shall cover the maximum risk exposure as determined [annually] by the council, or duly delegated committee.*	*As part of risk assessment procedures, the council should annually estimate maximum projected cash and bank balances and review this against the current fidelity cover and set the level of fidelity insurance accordingly.* *The council need to review the current level of fidelity insurance as it does not cover maximum projected cash and bank balances.*	**Recommendation Outstanding**
3	The amount of the precept request for 2022/23 is not recorded in the full council minutes which is a requirement of the Local Government Act 1992 as the February 2023 council meeting agreed the precept but did not state	*The amount of precept requested must be stated in the council resolution of the minutes where the precept was decided.*	**To be followed up at 2023/24 year end internal audit**

	ISSUE	RECOMMENDATION	FOLLOW UP
	the full monetary amount of the precept just the council tax band.		
4	Staff costs in the AGAR annual return includes the following cost centres non-payroll expenditure on the Jubilee - £1,057 Rialtas code 4734 135 Queens Jubilee - £210 Rialtas code 4734 136 Queens Jubilee - £251 Rialtas code 4734 200 Queens Jubilee	*The council must ensure that Rialtas coding structure is set up to only consolidate payroll costs into the Staff Costs figure for the AGAR accounts.*	**To be followed up at 2023/24 year end internal audit**
5	**Recurring Recommendation** The risk assessment does not address the risks of supplier fraud. The supplier fraud risks can be managed via appropriately robust policies and procedures. Examples of prevention actions include: - training for staff to alert them to the potential risks of providing sensitive company information, by	*The risk assessment should be updated to include supplier fraud including the adequacy of supplier onboarding controls.*	**Recommendation Outstanding**

	ISSUE	RECOMMENDATION	FOLLOW UP
	phone or other means, especially contract and account information. - establish a rigorous change of supplier details procedure - where a supplier has purported to have changed their bank details always call the supplier to check the veracity of a request, using details in your system, rather than those on any associated letter or email. A person should be authorised to approve a supplier bank account change after having reviewed the process undertaken to verify the supplier details change - periodic review of supplier accounts should also be undertaken to remove any dormant accounts. This reduces the likelihood of any old supplier information being used to secure fraudulent payments. - checking address and financial health details with Companies House - checking samples of online payments to supplier invoices to ensure the payment has been made to the supplier bank account		

	ISSUE	RECOMMENDATION	FOLLOW UP
6	A petty cash payment was made in September 2022 for £50 for which no receipt was secured and retained.	*Petty cash vouchers/invoices should be secured and retained for all petty cash payments.*	**To be followed up at 2023/24 year end internal audit**
2022/23 Second interim internal audit			
1	Balances have increased materially from the low levels in 2019, however, there is no established Investment Strategy and Treasury Management strategy in accordance with the LGA 2003.	*The council should establish an Investment Strategy and Treasury Management Strategy with reference to the requirements of the Local Government Act 2003.*	**Recommendation Outstanding**
2	Annual pay rises are notified to the payroll agent via an email from officers.	*The Chair should either email the annual officer pay rise information to the payroll agent, or a scanned letter from the Chair should be sent to the agent confirming the annual officer pay rises.*	**Recommendation Outstanding**
3	Review of Policies: - The current procedures for gifts and hospitality requirements at the council are those included in the adopted Code of Conduct	*The council gifts and hospitality policies should cover officers as well as members.*	**Recommendation Outstanding**

	ISSUE	RECOMMENDATION	FOLLOW UP
	which covers members only. - There is no current expenses policy in place covering officers and members	*The council should consider adopting an expenses policy that coves both officers and members.*	
4	There is no income collection/debt write off policy to ensure there is an agreed consistent approach to income collection and the procedures to follow with older debts including write offs. Aged debtor reports are not reported to the Finance, Policy and Governance Committee to provide management information about the age profile of debtor balances.	*The council should consider establishing an income collection/debt write off policy to ensure a consistent approach to debtors.* *Management information provided to council could be improved by providing the Rialtas aged debtor report at least annually to the Finance Committee so they can review income risks in terms of whether the levels of older debtors is significant.*	**Recommendation Outstanding**
5	Feedback to our interim internal audit questionnaire item regarding Public Contract Regulations indicate no officers had received training in the requirements.	*The council need to ensure staff involved in procurement are aware of the requirements of the Public Contracts Regulations 2015 regarding publishing information about contract opportunities and awards, over certain value thresholds, on the Contracts Finder website. In addition, officers need to be aware that the Public Contracts (Amendment) Regulations 2022 came into*	**Recommendation Outstanding**

	ISSUE	RECOMMENDATION	FOLLOW UP
		force on 21 Dec 2022 (refer to Action Note PPN 01/23 Procurement Policy Note – update to legal and policy requirements to publish procurement information on Contracts Finder).	
2022/23 First interim internal audit			
1	The monthly straight line maintenance charge for one of the contracts tested did not agree to the signed service SLA. In addition, the SLA did not stipulate that watering changes were in addition to the straight line SLA, however, watering had been charged as an addition in one invoice tested.	*Recurring Recommendation* *The council should investigate the incorrect pricing we identified and ensure processes are improved to prevent this recurring. The next invoice to the customer (identified in our sample with the incorrect price charged) should reflect the correction of the pricing error.* *The council must ensure that SLA terms and conditions are clear as to what is included in the monthly straight line charge, and what items will be charged as additional services.* *As this is a recurring issue a sample check of contract SLAs with invoices should be added to the regular councillor checks carried out.*	**2023/24 follow up** Management and checks of the contract SLAs and pricing spreadsheet is now carried out by the Public Realm Officer/RFO. All baseline and additional works are included on the contracts spreadsheet with the following: • Quote no • Date issued • Work accepted /not accepted • PO Issue date • Work completed date • Invoice date • Money received Recommendation Outstanding – no sample checks of income undertaken by councillors to date.

	ISSUE	RECOMMENDATION	FOLLOW UP
2	A duplicate payment was made to a supplier for £2881.2 in September 2022. The overpayment has now been fully refunded.	*The council should implement improved internal controls to prevent duplicate payments.*	**To be followed up at 2023/24 year end internal audit**
3	The quotations spreadsheet is a key contract management document. Currently the clerk reviews this periodically, for instance, to assess whether a sample of quotations accepted have been invoiced. We reviewed the current quotation spreadsheet and identified that there are a significant number of quotations listed but with no action or outcome recorded against them.. There could be a number of reasons for this, for instance, the quotation was not accepted, the quotation was accepted but the council has not resourced delivery, the quotation was accepted and the job delivered but has not to date been invoiced etc. Therefore, by not recording actions or outcomes against every quotation, there is a risk that jobs may not be delivered on a timely	*The clerk should programme a regular review of the quotations spreadsheet and this should be evidenced by a dated signature.* *Officer resource should be allocated to follow up and record actions/outcomes against all quotations in the spreadsheet with no current information recorded.*	**2023/24 follow up** The SLAs and invoices are checked by the Public Realm Manager and RFO. The Chief Officer also checks invoices and SLAs on a regular basis.

	ISSUE	RECOMMENDATION	FOLLOW UP
	basis or resourced efficiently, or completed and not invoiced.		
4	A ‘clocking in’ machine was purchased by card on 05/09/2022 for £227. This is a fixed asset but current procedures do not review card purchases for capital additions to be included in the fixed asset register.	*All card expenditure should be reviewed to ensure capital additions are identified and included in the fixed asset register.*	**To be followed up at 2023/24 year end internal audit**
2021/22 Year end internal audit			
1	**Publication Requirements** The Notice of Conclusion of Audit for 2020/21 was not published by the deadline of September 30th 2021. There is a tab on the website that is labelled Notice of Conclusion but the actual underlying document is just the AGAR form. Therefore, we have concluded in the AGAR internal audit certificate that the council did not comply with the publication requirements for the 2020/21 AGAR audit as required by	*The council must comply with the Accounts and Audit Regulations 2015.*	**Implemented**

	ISSUE	RECOMMENDATION	FOLLOW UP
	the Accounts and Audit Regulations 2015.		
2	The council did not adequately prepare the documentation to evidence the year end accounts in the balance sheet, as specified in our year end information checklist, resulting in a number of requests for further information.	*Year end procedures must be improved to ensure supporting documentation is prepared to evidence all the entries in the council year-end Balance sheet, both for internal reconciliation purposes as well as the audit process.*	**To be followed up at 2023/24 year end internal audit**
3	The analysis of staff costs for the AGAR contains code 4043 for £1021 'caskets and urns' which is not a payroll payment, therefore, staff costs are overstated in the 2021/22 AGAR accounts.	*Code 4043 should be allocated to Other Payments in the Rialtas ledger.*	See 2022/23 year end issue 4.)
4	The year end Balance Sheet contains a significant number of old debtors, and receipts in advance, relating to a racing event that was delayed due to the pandemic.	*The event is being held in 2022/23, however, the ledger needs to be cleared for sponsorships that will no longer be paid and refunds/credits that need to be provided to reflect the correct sponsors/customer base for the 2022/23 event.*	NB This exercise to clear the balance sheet codes for debtors and receipts in advance to ensure only current sponsors/customers for the event in 2022/23 are reflected in the ledger has already been undertaken by Finance staff in 2022/23.
2021/22 Second Interim Internal Audit			
1	**Contract Income**		***2022/23 follow up***

	ISSUE	RECOMMENDATION	FOLLOW UP
	Contract income has been increasing year on year and the year end outturn is estimated to significantly exceed £1 million. Much of the detailed knowledge of the individual SLAs with each customer council is reliant on one officer, the Clerk, in terms of understanding whether the contract income and been completely and accurately delivered and invoiced. We could not identify any contingency planning in case the officer was unavailable for a period. Sample testing of contract income identified an example of where the incorrect amount had been invoiced to the client compared to the agreed SLA. We also noted that there was reliance on the clerk to review the quotations schedule periodically to identify any work done that may not have been invoiced and that backlogs in invoicing can occur. Due to the complexity of some of the larger SLAs, the actual process of invoicing itself can be time consuming and the difficult task of	*The council need to ensure at least two officers have the specialist understanding of contract SLAs, quotations, and invoicing.* *The council should carry out a review to identify whether contract management software would provide a more effective and efficient solution to management of contracts from quotations through to invoicing.* *The council should investigate the incorrect pricing we identified and ensure processes are improved to prevent this recurring. The next invoice to the customer (identified in our sample with the incorrect price charged) should reflect the correction of the pricing error.* *The council should extend as far as possible the straight line twelve month invoicing approach to contracts as this could save significant finance administration time.*	*We were informed three officers now have specialist understanding of contract income.* *See 2022/23 first interim internal audit.* *Customers will be asked whether this option is acceptable.*

	ISSUE	RECOMMENDATION	FOLLOW UP
	matching work done with the inputs defined in the SLAs means there is a risk of invoices not completely and accurately reflecting work done/SLA requirements. We noted some straight line 12 month invoicing schedules were in place.		
2	**VAT issues:** Sample testing of Vickersway Park income identified that in May 2021 VAT of 5% was applied to all categories of income as all income was classified as 'hospitality and catering' so the temporary VAT rate reduction due to Covid was applied. However, the income comprises hire of facilities, catering, confectionary and other shop sales so not all of the income meets the definition of 'hospitality and catering'. We reviewed the VAT applied to a Vickersway income sample in July 2021 and identified that standard rated VAT at 20% had been applied to all income, which contradicts the assumption made in May 2021 that the whole of the income was	*The council need to review all Vickersway Park income received during the period of reduced VAT rates for 'hospitality and catering' and calculate the correct VAT rates for each category of income with reference to the relevant HMRC VAT guidance. Any subsequent VAT refunds or liabilities need to be corrected in the next VAT return.* *The council should ensure that finance officers involved in raising invoices should receive public sector VAT training.*	**2023/24 follow up - Recommendation Outstanding see 2023/24 first interim internal audit as further VAT issues have been identified.** 2022/23 follow up - Recommendation outstanding – external support is being sought regarding VAT and training.

	ISSUE	RECOMMENDATION	FOLLOW UP
	‘hospitality and catering’. The reduced rate applicable at this date was still 5% until September 30th 2021, then 12.5% until March 31st 2022. (NB. VAT did not revert to the standard 20% for hospitality and catering until after March 31st 2022.) Sample testing of income identified that the s106 CWAC funding had been invoiced with 20% VAT. Clearly s106 funding should not be invoiced with standard rated VAT added.		
2021/22 First Interim Internal audit			
1	Contracts between £3000 and £10,000 in value have not been subject to three quotations as officers assumed the Financial Regulations had been amended after authorisation from council to increase the threshold above which quotations are required to £10,000. However, Financial Regulations have not been updated and re-adopted by council so the current	*The Financial Regulations should be updated on a timely basis after a council decision to amend procurement regulations. The updated Financial regulations must be adopted by full council.*	**2022/23 follow up - s11.1 of the financial regulations to be increased and approved at Full Council.**

	ISSUE	RECOMMENDATION	FOLLOW UP
	threshold for securing quotations is still stated as £3000.		
2	Material play area contracts were above the threshold for applying the formal tender process as prescribed in the Financial Regulations (FRs). However, the market testing exercise only comprised securing three priced quotations of the supply rather than a formal tender process and the minutes do not record any authorisation to dispense with the standard tender requirements of the FRs.	*The council must comply with the procurement requirements of the Financial Regulations.*	**No further issues identified in 2022/23, however, see 2023/24 first interim internal audit tender issues.**
3	There is a time lag between receipt of information from the payroll agent for the prior month HMRC liabilities schedule and the current month payroll spreadsheet for posting to cost centres in the ledger. Therefore, this is leading to errors in posting of HMRC liabilities to the ledger as we identified instances where the incorrect month's payroll taxes had been posted to the ledger. Reversing journals had been posted to correct all errors, for instance a	*Internal controls need to be improved to prevent errors in posting of the monthly payroll taxes to the Rialtas ledger. The payroll agent should itemise PAYE, employers and employees national insurance in the monthly payroll spreadsheet with a check total that can be agreed to the monthly payroll tax liability schedule to ensure the correct month is posted to the ledger.*	**2022/23 follow up – issue to be resolved with the payroll agent.**

	ISSUE	RECOMMENDATION	FOLLOW UP
	correcting journal of £3190.89 was posted on 16/6/2021.		
4	A transfer of £535,000 from the Current Account to the Money Market account was executed on 08/04/2021. This material transfer was not authorised by council which is a breach of section 8.8 of the Financial Regulations: *8.8. Payments in respect of short term or long term investments, including transfers between bank accounts held in the same bank, or branch, shall be made in accordance with Regulation 5 (Authorisation of payments) and Regulation 6 (Instructions for payments).*	*Bank transfers from the current account to any other deposit or other short term or long term investment account must comply with the authorisation requirements of the Financial Regulations.*	**2022/23 follow up - Financial Regulations to be updated.**
5	The annual small business employment allowance £4000 was reclaimed off HMRC as a credit against payroll liabilities in April and May 2021. However, the employment allowance regulations stipulate that a public sector body is not entitled to claim this allowance.	*The council must not claim the employer national insurance employment allowance for small businesses. The council should ask the payroll agent to calculate the liability due to HMRC for the incorrect claim and repay the amount due..*	**2022/23 follow up – officers have confirmed the employment allowance is no longer claimed.**

	ISSUE	RECOMMENDATION	FOLLOW UP
6	Credit card payments have not been itemised individually for approval by council for the period from April 2021 to December 2021, although monthly total card payments have been approved.	*All individual credit card payments should be presented to council for review and approval. The card payments from April 2021 to December 31st should be presented to council for review and retrospective approval.*	**2022/23 follow up – retrospective approval to be sought from Finance Committee**
7	The monthly bank reconciliations from April 2021 to December 2021 have not been presented to the F&GP committee for review and approval.	*The bank reconciliations from April 2021 to December 2021 should be presented to the F&GP committee for review and retrospective approval.*	**2022/23 follow up – retrospective approval to be sought from Finance Committee**
2020/21 year end internal audit			
1	The council did not comply with Regulation 15 of the Account and Audit Regulations 2015 as it failed to make proper provision for the exercise of public rights in Summer 2020 for the 2019/20 accounts. The inspection period for the accounts was 29 days and not the required 30 days.	*The council must ensure that it makes proper provision for the exercise of public rights for every financial year.*	**Implemented**
2	Due to the pandemic, there has been no councillor detailed review of	*As soon as the pandemic situation permits, there should be a review of payroll and supporting documentation evidence by a councillor signature.*	**2023/24 follow up - implemented** **2021/22 follow up – Recommendation outstanding**

	ISSUE	RECOMMENDATION	FOLLOW UP
	payroll and the supporting documentation in the year.		
2020/21 second interim internal audit			
1	Sample testing of payments identified that three quotations had not been secured for a number of contacts in excess of £3000 in accordance with the Financial Regulations (FRs). The reason provided for this was that the regulations had been updated to a figure of £10000 as the new threshold for requiring three quotations. Unfortunately, the update to the Financial Regulations did not amend section 11.1.h which sets the threshold for securing quotations. As a result, the council has not complied with its Financial Regulations for all contracts in excess of £3000.	*The council should comply with its Financial Regulations. If the intention is to set a threshold for securing three quotations of £10000 then the FRs should updated at the next available meeting.*	**See 2021/22 first interim audit issue 1.)**
2	The risk assessment does not address the risks of supplier (procurement) fraud.	*The risk assessment should be updated to include supplier (procurement) fraud including the adequacy of supplier onboarding controls.*	**Recommendation Outstanding – see 2022/23 issues**

	ISSUE	RECOMMENDATION	FOLLOW UP
3	The council is party to a number of contracts with varying lengths and conditions.	*The council should establish a contracts register which should be regularly reviewed to identify those contracts where the upcoming end date signifies that a tender or quotation process is required, or whether a decision is needed regarding an extension which is provided for in the contract terms.*	**Recommendation Outstanding**
2020/21 first interim internal audit			
1	The VAT number of suppliers for material contracts are not verified begore entering into the contract.	*A VAT fraud prevention check should involve verification of the VAT number and address details of a new major supplier before entering into a material contract.*	**Internal control to apply to new contracts**

Northwich Town Council

Internal Audit 2023/24

JDH BUSINESS SERVICES LTD

Registered to carry on audit work by the Institute of Chartered Accountants in England and Wales

INTERNAL AUDIT REPORT
NORTHWICH TOWN COUNCIL

The internal audit was carried out by undertaking the following tests in the AGAR Annual Return for Local Councils in England:

- Checking that books of account have been properly kept throughout the year
- Checking a sample of payments to ensure that the Council's financial regulations have been met, payments are supported by invoices, expenditure is approved, and VAT is correctly accounted for
- Reviewing the Council's risk assessment and ensuring that adequate arrangements are in place to manage all identified risks
- Verifying that the annual precept request is the result of a proper budgetary process; that budget progress has been regularly monitored and that the council's reserves are appropriate
- Checking income records to ensure that the correct price has been charged, income has been received, recorded and promptly banked and VAT is correctly accounted for
- Reviewing petty cash records to ensure payments are supported by receipts, expenditure is approved and VAT is correctly accounted for
- Checking that salaries to employees have been paid in accordance with Council approvals and that PAYE and NI requirements have been properly applied
- Checking the accuracy of the asset and investments registers
- Testing the accuracy and timeliness of periodic and year-end bank account reconciliation(s)
- Review of year-end financial statements
- The authority has complied with the publication requirements for the prior year AGAR.
- The authority correctly provided for a period for the exercise of public rights for the prior year AGAR
- The authority published required information on a website up to date at the time of the internal audit in accordance with relevant legislation.

The interim internal audits provide evidence to support the annual internal audit conclusion in the AGAR Annual Return for local councils.

Conclusion
On the basis of the internal audit work carried out, which was limited to the tests indicated above, in our view the council's system of internal controls is in place, adequate for the purpose intended and effective, subject to the recommendations reported in the action plan overleaf. As part of the internal audit work for the next financial year we will follow up all recommendations included in the action plan.

JDH Business Services Limited

	ISSUE	RECOMMENDATION	FOLLOW UP
2023/24 Year end internal audit			
No further issues arising – a robust set of year end records have been maintained with a comprehensive audit trail to supporting information.			
2023/24 Second interim internal audit			
1	**Recurring Issue** VAT of 20% was applied to the hire of chapel for £1,300 in February 2024 (Invoice 7422). Room/hall hire is normally exempt from VAT unless the council had previously opted to tax this supply, which it has not. Therefore, it is not clear why VAT has been charged on this item.	***Recurring Recommendation*** *The correct VAT treatment should be applied to all chargeable services.* *It would be beneficial if external VAT support is secured to review all chargeable services to determine the VAT correct status.*	**External VAT support has been secured and they have advised accordingly.** **Staff have also received training in VAT as requested by the Internal Auditor.**

	ISSUE	RECOMMENDATION	FOLLOW UP
2023/24 First interim internal audit			
1	A substantial skatepark contract was undertaken during the year which was above the threshold for applying the formal tender process as prescribed in the Financial Regulations (FRs) and Standing Orders. However, the market testing exercise comprised securing three priced quotations of the supply based on a comprehensive specification rather than an advertised tender due to the specialist nature of the contract. Potential providers were invited to provide their designs and costings with public consultation determining the design that was selected. Minutes do not record the decision to dispense with the standard tender requirements of the FRs/SOs and instead follow the process described above. No appropriately authorised Purchase Order was issued for the commencement of this contract.	*The council must comply with the procurement requirements of the Financial Regulations, and where exemption(s) are applied, record the council decision in the minutes and reference to the Financial Regulations.* *Appropriately authorised Purchase Orders must be issued for all significant contracts*	**Staff have now received in-house training and a new procedure has been implemented with regard to purchase orders.**

	ISSUE	RECOMMENDATION	FOLLOW UP
2	The council may charge VAT on certain categories of sports fees. In 2023 HMRC published a paper 'Changes to VAT treatment of local authority leisure services' noting that Local Authorities were currently treated as undertaking a business activity if they provide leisure services to members of the public. This treatment was challenged and the matter was considered by the courts. who found that local authorities' leisure services are provided under a statutory framework and can be treated as non-business for VAT purposes.	*The council need to review the HMRC guidance on the VAT treatment of leisure services and secure guidance from a VAT expert as to what impact the changes will have on the council and what claims (if any) are required to be submitted to HMRC for the current and earlier years.*	**Guidance has been received from a VAT specialist as requested from the Internal Auditor. New procedures for recording VAT have been implemented. We are also looking at reclaiming VAT for current and earlier years.**
3	Sample testing of income identified the following issued regarding VAT: • Sample item from 01/12/2023 No 1 Sales Ledger Sales Daybook Summary 1726 of £3,014.7 identified VAT of £62.40 had been charged on a casket for a vault burial of ashes. However, VAT is not	*Recurring Issue:* *The correct VAT treatment should be applied to all chargeable services.* *The council urgently need to ensure finance staff are trained in VAT and that, as previously recommended, external support with reviewing VAT categories such as Vickersway is secured. It would clearly be beneficial if this external support reviewed*	**All staff have now received training in VAT and we have also received support from an external VAT expert.**

	ISSUE	RECOMMENDATION	FOLLOW UP
	usually applied to caskets. • Sample item from 01/12/2023 No 1 Sales Ledger Sales Daybook Summary 1722 £1,320.00. We identified that VAT had been charged on the room hire. We have previously reported to the council that VAT should not be charged on room hire.	*all chargeable service detailed categories and determined the VAT status.*	
4	There is no formal budget timetable in place evidencing the key milestones leading to the agreement of the precept request for the year and approval of the annual budget.	*A comprehensive formal budget timetable should be established annually covering the main elements of the Council's budget setting process together with key dates and responsibilities.*	**A budget timetable has been produced which will be submitted to Council for approval in June 24.**
5	The tender threshold is stated as £50000 in the council Standing Orders, and £25,000 in the Financial Regulations.	*The tender threshold in the Standing Orders and Financial Regulations. Should be consistent.*	**This has now been amended and both show £50,000 threshold.**
6	We could not identify the following information published on the council website as prescribed in the Transparency Code:	*The council should ensure the website is maintained up to date and that it complies fully with the publication requirements of*	**All financial transactions are published on our website following Finance Committee meetings.**

	ISSUE	RECOMMENDATION	FOLLOW UP
	PUBLICATION 32. Local authorities must also publish details of any contract, commissioned activity, purchase order, framework agreement and any other legally enforceable agreement with a value that exceeds £5,000. For each contract, the following details must be published: - *reference number* - *title of agreement* - *LA department responsible* - *description of the goods and/or services being provided* - *supplier name and details* - *sum to be paid over the length of the contract or the estimated annual spending or budget for the contract* - *Value Added Tax that cannot be recovered* - *start, end and review dates* - *whether or not the contract was the result of an invitation to quote or a published invitation to tender, and* - *whether or not the supplier is a small or medium sized enterprise and/or a voluntary or community sector organisation and where it is,*	*the Local Authority Transparency Code 2015.*	

	ISSUE	RECOMMENDATION	FOLLOW UP
	provide the relevant registration number		
7	The budgetary control reports presented to committee do not identify those variances in excess of the threshold in the Financial Regulations requiring written explanation. Financial Regulations state the following: *4.8. The Clerk shall regularly provide the council with a statement of receipts and payments to date under each head of the budgets, comparing actual expenditure to the appropriate date against that planned as shown in the budget. These statements are to be prepared at least at the end of each financial quarter and shall show explanations of material variances. For this purpose "material" shall be in excess of 15% of the budget.*	*The budgetary control information provided to council should comply with Financial Regulation requirements by highlighting those variances in the report which are in excess of the threshold set in the Financial regulations where a written explanation is needed.*	**All variances are explained each month at the Finance Committee Meeting.**
8	The BACS Cashbook payment allocation on 18/11/2023 for Witton Cemetery wages of £5,324.67 did not agree to the payroll allocation spreadsheet total of £5323.17.	*The difference between the cashbook Rialtas allocation and the payroll spreadsheet should be reviewed and any error(s) in allocation of payroll rectified within the Rialtas system.*	**This item has been resolved as the correct payroll allocation spreadsheet has now been provided.**

	ISSUE	RECOMMENDATION	FOLLOW UP
2022/23 Year end internal audit			
1	The council carried out a review of fixed assets during the year which resulted in the reclassification of a significant number of assets as community assets, with the value changed from acquisition cost to a notional value of £1. This is the primary reason for the reduction in fixed assets from £1,301,107 in 2021/22 to £546,264 2022/23. However, the revised approach with respect to the different categories of assets was not formally set out in a policy for adoption by council and the prior year fixed asset figure has not been restated on a like for like basis. The council has approved the revised fixed asset register. The Practitioners Guide extract below states the following with respect to fixed assets: *5.63. The particular method of asset valuation is not specified in proper practices so authorities may use any reasonable approach* ***to be applied consistently from year to year****.* ***The***	*The council should ensure the new policy with respect to fixed assets including classification of certain types of assets as community assets is set out in a formal policy approved by council.* *The council should query with the external auditor whether they require the 2021/22 fixed asset value in the AGAR to be restated on a like for like basis with the 2022/23 fixed assets revised valuation approach.*	**2022/23 follow up - 2021/22 AGAR restatement not implemented**

	ISSUE	RECOMMENDATION	FOLLOW UP
	method of asset valuation adopted should be set out in a policy approved by the authority and recorded in the authority's minutes and in the asset register. *5.64. For authorities covered by this guide, the most appropriate and commonly used method of fixed asset valuation for first registration on the asset register is at acquisition cost. This means that the recorded value of the asset will not change from year to year, unless it is materially enhanced.*		
2	The fidelity cover is currently £1,000,000, however, fidelity insurance should aim to cover the maximum projected cash and bank balances which is estimated as the year end cash and bank balances of £484,116 plus the next precept instalment of £562,070, which gives an estimated maximum projected balances of at least £1,046,186. Financial Regulations require the following: *15.5. All appropriate members and employees of the council shall be included in a suitable form of security*	*As part of risk assessment procedures, the council should annually estimate maximum projected cash and bank balances and review this against the current fidelity cover and set the level of fidelity insurance accordingly.* *The council need to review the current level of fidelity insurance as it does not cover maximum projected cash and bank balances.*	**2023/24 follow up – reserves have now reduced significantly to match fidelity cover** **2022/23 - Recommendation Outstanding** **Current level has been reviewed and the Fidelity Cover has been increased to £2 million (previously £1 millon next band on our insurance is £2 million).**

	ISSUE	RECOMMENDATION	FOLLOW UP
	or fidelity guarantee insurance which shall cover the maximum risk exposure as determined [annually] by the council, or duly delegated committee.		
3	The amount of the precept request for 2022/23 is not recorded in the full council minutes which is a requirement of the Local Government Act 1992 as the February 2023 council meeting agreed the precept but did not state the full monetary amount of the precept just the council tax band.	*The amount of precept requested must be stated in the council resolution of the minutes where the precept was decided.*	**Implemented**
4	Staff costs in the AGAR annual return includes the following cost centres non-payroll expenditure on the Jubilee - £1,057 Rialtas code 4734 135 Queens Jubilee - £210 Rialtas code 4734 136 Queens Jubilee - £251 Rialtas code 4734 200 Queens Jubilee	*The council must ensure that Rialtas coding structure is set up to only consolidate payroll costs into the Staff Costs figure for the AGAR accounts.*	**Implemented**

	ISSUE	RECOMMENDATION	FOLLOW UP
5	**Recurring Recommendation** The risk assessment does not address the risks of supplier fraud. The supplier fraud risks can be managed via appropriately robust policies and procedures. Examples of prevention actions include: - training for staff to alert them to the potential risks of providing sensitive company information, by phone or other means, especially contract and account information. - establish a rigorous change of supplier details procedure - where a supplier has purported to have changed their bank details always call the supplier to check the veracity of a request, using details in your system, rather than those on any associated letter or email. A person should be authorised to approve a supplier bank account change after having reviewed the process undertaken to verify the supplier details change	*The risk assessment should be updated to include supplier fraud including the adequacy of supplier onboarding controls.*	**Recommendation Outstanding** **Staff training has been given.**

	ISSUE	RECOMMENDATION	FOLLOW UP
	- periodic review of supplier accounts should also be undertaken to remove any dormant accounts. This reduces the likelihood of any old supplier information being used to secure fraudulent payments. - checking address and financial health details with Companies House - checking samples of online payments to supplier invoices to ensure the payment has been made to the supplier bank account		
6	A petty cash payment was made in September 2022 for £50 for which no receipt was secured and retained.	*Petty cash vouchers/invoices should be secured and retained for all petty cash payments.*	**2023/24 follow up – no further petty cash issues identified.** **We have ceased using petty cash.**
2022/23 Second interim internal audit			
1	Balances have increased materially from the low levels in 2019, however, there is no established Investment Strategy and Treasury Management strategy in accordance with the LGA 2003.	*The council should establish an Investment Strategy and Treasury Management Strategy with reference to the requirements of the Local Government Act 2003.*	**Recommendation Outstanding**

	ISSUE	RECOMMENDATION	FOLLOW UP
2	Annual pay rises are notified to the payroll agent via an email from officers.	*The Chair should either email the annual officer pay rise information to the payroll agent, or a scanned letter from the Chair should be sent to the agent confirming the annual officer pay rises.*	**Recommendation Outstanding** **This will be implemented for future pay rises.**
3	Review of Policies: - The current procedures for gifts and hospitality requirements at the council are those included in the adopted Code of Conduct which covers members only. - There is no current expenses policy in place covering officers and members	*The council gifts and hospitality policies should cover officers as well as members.* *The council should consider adopting an expenses policy that coves both officers and members.*	**Recommendation Outstanding**
4	There is no income collection/debt write off policy to ensure there is an agreed consistent approach to income collection and the procedures to follow with older debts including write offs.	*The council should consider establishing an income collection/debt write off policy to ensure a consistent approach to debtors.* *Management information provided to council could be improved by providing the Rialtas aged debtor report at least annually to the Finance Committee so they can*	**Recommendation Outstanding**

	ISSUE	RECOMMENDATION	FOLLOW UP
	Aged debtor reports are not reported to the Finance, Policy and Governance Committee to provide management information about the age profile of debtor balances.	*review income risks in terms of whether the levels of older debtors is significant.*	
5	Feedback to our interim internal audit questionnaire item regarding Public Contract Regulations indicate no officers had received training in the requirements.	*The council need to ensure staff involved in procurement are aware of the requirements of the Public Contracts Regulations 2015 regarding publishing information about contract opportunities and awards, over certain value thresholds, on the Contracts Finder website. In addition, officers need to be aware that the Public Contracts (Amendment) Regulations 2022 came into force on 21 Dec 2022 (refer to Action Note PPN 01/23 Procurement Policy Note – update to legal and policy requirements to publish procurement information on Contracts Finder).*	**Recommendation Outstanding**
2022/23 First interim internal audit			
1	The monthly straight line maintenance charge for one of the contracts tested did not agree to the signed service SLA. In addition, the SLA did not stipulate that watering	*Recurring Recommendation* *The council should investigate the incorrect pricing we identified and ensure processes are improved to prevent this recurring. The*	**2023/24 follow up** Management and checks of the contract SLAs and pricing spreadsheet is now carried out by the Public Realm

	ISSUE	RECOMMENDATION	FOLLOW UP
	changes were in addition to the straight line SLA, however, watering had been charged as an addition in one invoice tested.	*next invoice to the customer (identified in our sample with the incorrect price charged) should reflect the correction of the pricing error.* *The council must ensure that SLA terms and conditions are clear as to what is included in the monthly straight line charge, and what items will be charged as additional services.* *As this is a recurring issue a sample check of contract SLAs with invoices should be added to the regular councillor checks carried out.*	Officer/RFO. All baseline and additional works are included on the contracts spreadsheet with the following: • Quote no • Date issued • Work accepted /not accepted • PO Issue date • Work completed date • Invoice date • Money received Recommendation Outstanding – no sample checks of income undertaken by councillors to date.
2	A duplicate payment was made to a supplier for £2881.2 in September 2022. The overpayment has now been fully refunded.	*The council should implement improved internal controls to prevent duplicate payments.*	**2023/24 follow up – no further duplicate payments identified.**
3	The quotations spreadsheet is a key contract management document. Currently the clerk reviews this periodically, for instance, to assess whether a sample of quotations accepted have been invoiced.	*The clerk should programme a regular review of the quotations spreadsheet and this should be evidenced by a dated signature.* *Officer resource should be allocated to follow up and record actions/outcomes*	**2023/24 follow up** The SLAs and invoices are checked by the Public Realm Manager and RFO. The Chief Officer also checks invoices and SLAs on a regular basis.

	ISSUE	RECOMMENDATION	FOLLOW UP
	We reviewed the current quotation spreadsheet and identified that there are a significant number of quotations listed but with no action or outcome recorded against them.. There could be a number of reasons for this, for instance, the quotation was not accepted, the quotation was accepted but the council has not resourced delivery, the quotation was accepted and the job delivered but has not to date been invoiced etc. Therefore, by not recording actions or outcomes against every quotation, there is a risk that jobs may not be delivered on a timely basis or resourced efficiently, or completed and not invoiced.	*against all quotations in the spreadsheet with no current information recorded.*	
4	A 'clocking in' machine was purchased by card on 05/09/2022 for £227. This is a fixed asset but current procedures do not review card purchases for capital additions to be included in the fixed asset register.	*All card expenditure should be reviewed to ensure capital additions are identified and included in the fixed asset register.*	**2023/24 follow up – no further fixed asset issues identified.**
2021/22 Year end internal audit			

	ISSUE	RECOMMENDATION	FOLLOW UP
1	**Publication Requirements** The Notice of Conclusion of Audit for 2020/21 was not published by the deadline of September 30th 2021. There is a tab on the website that is labelled Notice of Conclusion but the actual underlying document is just the AGAR form. Therefore, we have concluded in the AGAR internal audit certificate that the council did not comply with the publication requirements for the 2020/21 AGAR audit as required by the Accounts and Audit Regulations 2015.	*The council must comply with the Accounts and Audit Regulations 2015.*	**Implemented**
2	The council did not adequately prepare the documentation to evidence the year end accounts in the balance sheet, as specified in our year end information checklist, resulting in a number of requests for further information.	*Year end procedures must be improved to ensure supporting documentation is prepared to evidence all the entries in the council year-end Balance sheet, both for internal reconciliation purposes as well as the audit process.*	**Implemented**
3	The analysis of staff costs for the AGAR contains code 4043 for £1021 'caskets and urns' which is	*Code 4043 should be allocated to Other Payments in the Rialtas ledger.*	See 2022/23 year end issue 4.)

	ISSUE	RECOMMENDATION	FOLLOW UP
	not a payroll payment, therefore, staff costs are overstated in the 2021/22 AGAR accounts.		
4	The year end Balance Sheet contains a significant number of old debtors, and receipts in advance, relating to a racing event that was delayed due to the pandemic.	*The event is being held in 2022/23, however, the ledger needs to be cleared for sponsorships that will no longer be paid and refunds/credits that need to be provided to reflect the correct sponsors/customer base for the 2022/23 event.*	NB This exercise to clear the balance sheet codes for debtors and receipts in advance to ensure only current sponsors/customers for the event in 2022/23 are reflected in the ledger has already been undertaken by Finance staff in 2022/23.
2021/22 Second Interim Internal Audit			
1	**Contract Income** Contract income has been increasing year on year and the year end outturn is estimated to significantly exceed £1 million. Much of the detailed knowledge of the individual SLAs with each customer council is reliant on one officer, the Clerk, in terms of understanding whether the contract income and been completely and accurately delivered and invoiced. We could not identify any contingency planning in case	*The council need to ensure at least two officers have the specialist understanding of contract SLAs, quotations, and invoicing.* *The council should carry out a review to identify whether contract management software would provide a more effective and efficient solution to management of contracts from quotations through to invoicing.* *The council should investigate the incorrect pricing we identified and ensure processes*	***2022/23 follow up*** *We were informed three officers now have specialist understanding of contract income.*

	ISSUE	RECOMMENDATION	FOLLOW UP
	the officer was unavailable for a period. Sample testing of contract income identified an example of where the incorrect amount had been invoiced to the client compared to the agreed SLA. We also noted that there was reliance on the clerk to review the quotations schedule periodically to identify any work done that may not have been invoiced and that backlogs in invoicing can occur. Due to the complexity of some of the larger SLAs, the actual process of invoicing itself can be time consuming and the difficult task of matching work done with the inputs defined in the SLAs means there is a risk of invoices not completely and accurately reflecting work done/SLA requirements. We noted some straight line 12 month invoicing schedules were in place.	*are improved to prevent this recurring. The next invoice to the customer (identified in our sample with the incorrect price charged) should reflect the correction of the pricing error.* *The council should extend as far as possible the straight line twelve month invoicing approach to contracts as this could save significant finance administration time.*	*See 2022/23 first interim internal audit.* *Customers will be asked whether this option is acceptable.*
2	**VAT issues:** Sample testing of Vickersway Park income identified that in May 2021 VAT of 5% was applied to all	*The council need to review all Vickersway Park income received during the period of reduced VAT rates for 'hospitality and*	**2023/24 follow up - Recommendation Outstanding see 2023/24 first interim internal audit**

	ISSUE	RECOMMENDATION	FOLLOW UP
	categories of income as all income was classified as ‘hospitality and catering’ so the temporary VAT rate reduction due to Covid was applied. However, the income comprises hire of facilities, catering, confectionary and other shop sales so not all of the income meets the definition of ‘hospitality and catering’. We reviewed the VAT applied to a Vickersway income sample in July 2021 and identified that standard rated VAT at 20% had been applied to all income, which contradicts the assumption made in May 2021 that the whole of the income was ‘hospitality and catering’. The reduced rate applicable at this date was still 5% until September 30th 2021, then 12.5% until March 31st 2022. (NB. VAT did not revert to the standard 20% for hospitality and catering until after March 31st 2022.) Sample testing of income identified that the s106 CWAC funding had been invoiced with 20% VAT. Clearly s106 funding should not be	*catering’ and calculate the correct VAT rates for each category of income with reference to the relevant HMRC VAT guidance. Any subsequent VAT refunds or liabilities need to be corrected in the next VAT return.* *The council should ensure that finance officers involved in raising invoices should receive public sector VAT training.*	**as further VAT issues have been identified.** 2022/23 follow up - Recommendation outstanding – external support is being sought regarding VAT and training.

	ISSUE	RECOMMENDATION	FOLLOW UP
	invoiced with standard rated VAT added.		
2021/22 First Interim Internal audit			
1	Contracts between £3000 and £10,000 in value have not been subject to three quotations as officers assumed the Financial Regulations had been amended after authorisation from council to increase the threshold above which quotations are required to £10,000. However, Financial Regulations have not been updated and re-adopted by council so the current threshold for securing quotations is still stated as £3000.	*The Financial Regulations should be updated on a timely basis after a council decision to amend procurement regulations. The updated Financial regulations must be adopted by full council.*	**2022/23 follow up - s11.1 of the financial regulations to be increased and approved at Full Council.**
2	Material play area contracts were above the threshold for applying the formal tender process as prescribed in the Financial Regulations (FRs). However, the market testing exercise only comprised securing three priced quotations of the supply rather than a formal tender process and the minutes do not record any authorisation to dispense with the	*The council must comply with the procurement requirements of the Financial Regulations.*	**No further issues identified in 2022/23, however, see 2023/24 first interim internal audit tender issues.**

	ISSUE	RECOMMENDATION	FOLLOW UP
	standard tender requirements of the FRs.		
3	There is a time lag between receipt of information from the payroll agent for the prior month HMRC liabilities schedule and the current month payroll spreadsheet for posting to cost centres in the ledger. Therefore, this is leading to errors in posting of HMRC liabilities to the ledger as we identified instances where the incorrect month's payroll taxes had been posted to the ledger. Reversing journals had been posted to correct all errors, for instance a correcting journal of £3190.89 was posted on 16/6/2021.	*Internal controls need to be improved to prevent errors in posting of the monthly payroll taxes to the Rialtas ledger. The payroll agent should itemise PAYE, employers and employees national insurance in the monthly payroll spreadsheet with a check total that can be agreed to the monthly payroll tax liability schedule to ensure the correct month is posted to the ledger.*	**2022/23 follow up – issue to be resolved with the payroll agent.**
4	A transfer of £535,000 from the Current Account to the Money Market account was executed on 08/04/2021. This material transfer was not authorised by council which is a breach of section 8.8 of the Financial Regulations: *8.8. Payments in respect of short term or long term investments, including transfers*	*Bank transfers from the current account to any other deposit or other short term or long term investment account must comply with the authorisation requirements of the Financial Regulations.*	**2022/23 follow up - Financial Regulations to be updated.**

	ISSUE	RECOMMENDATION	FOLLOW UP
	between bank accounts held in the same bank, or branch, shall be made in accordance with Regulation 5 (Authorisation of payments) and Regulation 6 (Instructions for payments).		
5	The annual small business employment allowance £4000 was reclaimed off HMRC as a credit against payroll liabilities in April and May 2021. However, the employment allowance regulations stipulate that a public sector body is not entitled to claim this allowance.	*The council must not claim the employer national insurance employment allowance for small businesses. The council should ask the payroll agent to calculate the liability due to HMRC for the incorrect claim and repay the amount due..*	**2022/23 follow up – officers have confirmed the employment allowance is no longer claimed.**
6	Credit card payments have not been itemised individually for approval by council for the period from April 2021 to December 2021, although monthly total card payments have been approved.	*All individual credit card payments should be presented to council for review and approval. The card payments from April 2021 to December 31st should be presented to council for review and retrospective approval.*	**2022/23 follow up – retrospective approval to be sought from Finance Committee**
7	The monthly bank reconciliations from April 2021 to December 2021 have not been presented to the F&GP committee for review and approval.	*The bank reconciliations from April 2021 to December 2021 should be presented to the F&GP committee for review and retrospective approval.*	**2022/23 follow up – retrospective approval to be sought from Finance Committee**
2020/21 year end internal audit			

	ISSUE	RECOMMENDATION	FOLLOW UP
1	The council did not comply with Regulation 15 of the Account and Audit Regulations 2015 as it failed to make proper provision for the exercise of public rights in Summer 2020 for the 2019/20 accounts. The inspection period for the accounts was 29 days and not the required 30 days.	*The council must ensure that it makes proper provision for the exercise of public rights for every financial year.*	**Implemented**
2	Due to the pandemic, there has been no councillor detailed review of payroll and the supporting documentation in the year.	*As soon as the pandemic situation permits, there should be a review of payroll and supporting documentation evidence by a councillor signature.*	**2023/24 follow up - implemented** **2021/22 follow up – Recommendation outstanding**
2020/21 second interim internal audit			
1	Sample testing of payments identified that three quotations had not been secured for a number of contacts in excess of £3000 in accordance with the Financial Regulations (FRs). The reason provided for this was that the regulations had been updated to a figure of £10000 as the new threshold for requiring three quotations. Unfortunately, the	*The council should comply with its Financial Regulations. If the intention is to set a threshold for securing three quotations of £10000 then the FRs should updated at the next available meeting.*	**See 2021/22 first interim audit issue 1.)**

	ISSUE	RECOMMENDATION	FOLLOW UP
	update to the Financial Regulations did not amend section 11.1.h which sets the threshold for securing quotations. As a result, the council has not complied with its Financial Regulations for all contracts in excess of £3000.		
2	The risk assessment does not address the risks of supplier (procurement) fraud.	*The risk assessment should be updated to include supplier (procurement) fraud including the adequacy of supplier onboarding controls.*	**Recommendation Outstanding – see 2022/23 issues**
3	The council is party to a number of contracts with varying lengths and conditions.	*The council should establish a contracts register which should be regularly reviewed to identify those contracts where the upcoming end date signifies that a tender or quotation process is required, or whether a decision is needed regarding an extension which is provided for in the contract terms.*	**Recommendation Outstanding**
2020/21 first interim internal audit			
1	The VAT number of suppliers for material contracts are not verified begore entering into the contract.	*A VAT fraud prevention check should involve verification of the VAT number and address details of a new major supplier before entering into a material contract.*	**Internal control to apply to new contracts**

Annual Governance and Accountability Return 2023/24 Form 3

To be completed by Local Councils, Internal Drainage Boards and other Smaller Authorities*:
- **where the higher of gross income or gross expenditure exceeded £25,000 but did not exceed £6.5 million; or**
- **where the higher of gross income or gross expenditure was £25,000 or less but that:**
  - **are unable to certify themselves as exempt (fee payable); or**
  - **have requested a limited assurance review (fee payable)**

Guidance notes on completing Form 3 of the Annual Governance and Accountability Return 2023/24

1. Every smaller authority in England that either received gross income or incurred gross expenditure exceeding £25,000 **must** complete Form 3 of the Annual Governance and Accountability Return at the end of each financial year in accordance with *Proper Practices*.
2. **The Annual Governance and Accountability Return is made up of three parts, pages 3 to 6:**
   - The **Annual Internal Audit Report must** be completed by the authority's internal auditor.
   - **Sections 1 and 2 must** be completed and approved by the authority.
   - **Section 3** is completed by the external auditor and will be returned to the authority.
3. The authority **must** approve Section 1, Annual Governance Statement, before approving Section 2, Accounting Statements, and both **must** be approved and published on the authority website/webpage **before 1 July 2024.**
4. An authority with either gross income or gross expenditure exceeding £25,000 or an authority with neither income nor expenditure exceeding £25,000, but which is unable to certify itself as exempt, or is requesting a limited assurance review, **must** return to the external auditor by email or post (not both) **no later than 30 June 2024.** Reminder letters will incur a charge of £40 +VAT:
   - the Annual Governance and Accountability Return Sections 1 and 2, together with
   - a bank reconciliation as at 31 March 2024
   - an explanation of any significant year on year variances in the accounting statements
   - notification of the commencement date of the period for the exercise of public rights
   - Annual Internal Audit Report 2023/24

Unless requested, do not send any additional documents to your external auditor. Your external auditor will ask for any additional documents needed.

Once the external auditor has completed the limited assurance review and is able to give an opinion, the Annual Governance and Accountability **Section 1, Section 2 and Section 3 – External Auditor Report and Certificate** will be returned to the authority by email or post.

Publication Requirements

Under the Accounts and Audit Regulations 2015, authorities must publish the following information on the authority website/webpage:

Before 1 July 2024 authorities **must** publish:
- Notice of the period for the exercise of public rights and a declaration that the accounting statements are as yet unaudited;
- **Section 1 - Annual Governance Statement 2023/24**, approved and signed, page 4
- **Section 2 - Accounting Statements 2023/24**, approved and signed, page 5

Not later than 30 September 2024 authorities **must** publish:
- Notice of conclusion of audit
- **Section 3 - External Auditor Report and Certificate**
- **Sections 1 and 2 of AGAR** including any amendments as a result of the limited assurance review. It is recommended as best practice, to avoid any potential confusion by local electors and interested parties, that you also publish the Annual Internal Audit Report, page 3.

The Annual Governance and Accountability Return constitutes the annual return referred to in the Accounts and Audit Regulations 2015. Throughout, the words 'external auditor' have the same meaning as the words 'local auditor' in the Accounts and Audit Regulations 2015.

**for a complete list of bodies that may be smaller authorities refer to schedule 2 to the Local Audit and Accountability Act 2014.*

Guidance notes on completing Form 3 of the Annual Governance and Accountability Return (AGAR) 2023/24

- The authority **must** comply with *Proper Practices* in completing Sections 1 and 2 of this AGAR. *Proper Practices* are found in the *Practitioners' Guide** which is updated from time to time and contains everything needed to prepare successfully for the financial year-end and the subsequent work by the external auditor.
- Make sure that the AGAR is complete (no highlighted boxes left empty) and is properly signed and dated. Any amendments must be approved by the authority and properly initialled.
- The authority **should** receive and note the Annual Internal Audit Report before approving the Annual Governance Statement and the accounts.
- Use the checklist provided below to review the AGAR for completeness before returning it to the external auditor by email or post (not both) no later than 30 June 2024.
- The Annual Governance Statement (Section 1) must be approved on the same day or before the Accounting Statements (Section 2) and evidenced by the agenda or minute references.
- The Responsible Financial Officer (RFO) must certify the accounts (Section 2) before they are presented to the authority for approval. The authority must in this order; consider, approve and sign the accounts.
- The RFO is required to commence the public rights period as soon as practical after the date of the AGAR approval.
- **You must inform your external auditor about any change of Clerk, Responsible Financial Officer or Chair, and provide relevant authority owned generic email addresses and telephone numbers.**
- Make sure that the copy of the bank reconciliation to be sent to your external auditor with the AGAR covers all the bank accounts. If the authority holds any short-term investments, note their value on the bank reconciliation. The external auditor must be able to agree the bank reconciliation to Box 8 on the accounting statements **(Section 2, page 5)**. An explanation **must** be provided of any difference between Box 7 and Box 8. More help on bank reconciliation is available in the *Practitioners' Guide**.
- Explain fully significant variances in the accounting statements on **page 5**. Do not just send a copy of the detailed accounting records instead of this explanation. The external auditor wants to know that you understand the reasons for all variances. Include complete numerical and narrative analysis to support the full variance.
- If the bank reconciliation is incomplete or variances not **fully** explained then additional costs may be incurred.
- Make sure that the accounting statements add up and that the balance carried forward from the previous year (Box 7 of 2023) equals the balance brought forward in the current year (Box 1 of 2024).
- The Responsible Financial Officer (RFO), on behalf of the authority, **must** set the commencement date for the exercise of public rights of 30 consecutive working days which **must** include the first ten working days of July.
- The authority **must** publish on the authority website/webpage the information required by Regulation 15 (2), Accounts and Audit Regulations 2015, including the period for the exercise of public rights and the name and address of the external auditor **before 1 July 2024.**

Completion checklist – 'No' answers mean you may not have met requirements		Yes	No
All sections	Have all highlighted boxes have been completed?	✓	
	Has all additional information requested, including **the dates set for the period for the exercise of public rights**, been provided for the external auditor?	✓	
Internal Audit Report	Have all highlighted boxes been completed by the internal auditor and explanations provided?	✓	
Section 1	For any statement to which the response is 'no', has an explanation been published?	✓	
Section 2	Has the Responsible Financial Officer signed the accounting statements before presentation to the authority for approval?	✓	
	Has the authority's approval of the accounting statements been confirmed by the signature of the Chair of the approval meeting?	✓	
	Has an explanation of significant variations been published where required?	✓	
	Has the bank reconciliation as at **31 March 2024** been reconciled to Box 8?	✓	
	Has an explanation of any difference between Box 7 and Box 8 been provided?	✓	
Sections 1 and 2	Trust funds – have all disclosures been made if the authority as a body corporate is a sole managing trustee? **NB:** do not send trust accounting statements unless requested.	N/A	

Governance and Accountability for Smaller Authorities in England – a Practitioners' Guide to Proper Practices, can be downloaded from **www.nalc.gov.uk** or from **www.ada.org.uk**

Annual Internal Audit Report 2023/24

Northwich Town Council

www.northwichtowncouncil.gov.uk

During the financial year ended 31 March 2024, this authority's internal auditor acting independently and on the basis of an assessment of risk, carried out a selective assessment of compliance with the relevant procedures and controls in operation and obtained appropriate evidence from the authority.

The internal audit for 2023/24 has been carried out in accordance with this authority's needs and planned coverage. On the basis of the findings in the areas examined, the internal audit conclusions are summarised in this table. Set out below are the objectives of internal control and alongside are the internal audit conclusions on whether, in all significant respects, the control objectives were being achieved throughout the financial year to a standard adequate to meet the needs of this authority.

KEY: IA = Internal Audit

Internal control objective	Yes	No*	Not covered**
A. Appropriate accounting records have been properly kept throughout the financial year.	✓		
B. This authority complied with its financial regulations, payments were supported by invoices, all expenditure was approved and VAT was appropriately accounted for.	✓	Subject to issue 1) in first interim IA report.	
C. This authority assessed the significant risks to achieving its objectives and reviewed the adequacy of arrangements to manage these.	✓		
D. The precept or rates requirement resulted from an adequate budgetary process; progress against the budget was regularly monitored; and reserves were appropriate.	✓		
E. Expected income was fully received, based on correct prices, properly recorded and promptly banked; and VAT was appropriately accounted for.	✓	except for VAT issues in 2023/24 IA reports.	
F. Petty cash payments were properly supported by receipts, all petty cash expenditure was approved and VAT appropriately accounted for.	✓		
G. Salaries to employees and allowances to members were paid in accordance with this authority's approvals, and PAYE and NI requirements were properly applied.	✓		
H. Asset and investments registers were complete and accurate and properly maintained.			
I. Periodic bank account reconciliations were properly carried out during the year.	✓		
J. Accounting statements prepared during the year were prepared on the correct accounting basis (receipts and payments or income and expenditure), agreed to the cash book, supported by an adequate audit trail from underlying records and where appropriate debtors and creditors were properly recorded.	✓		
K. If the authority certified itself as exempt from a limited assurance review in 2022/23, it met the exemption criteria and correctly declared itself exempt. *(If the authority had a limited assurance review of its 2022/23 AGAR tick "not covered")*	N/A		
L. The authority published the required information on a website/webpage up to date at the time of the internal audit in accordance with the relevant legislation.	✓	except for issue 6) in first interim IA report	
M. In the year covered by this AGAR, the authority correctly provided for a period for the exercise of public rights as required by the Accounts and Audit Regulations *(during the 2023-24 AGAR period, were public rights in relation to the 2022-23 AGAR evidenced by a notice on the website and/or authority approved minutes confirming the dates set).*	✓		
N. The authority has complied with the publication requirements for 2022/23 AGAR *(see AGAR Page 1 Guidance Notes).*	✓	except for issue 6) in first interim IA report.	

	Yes	No	Not applicable
O. (For local councils only) Trust funds (including charitable) – The council met its responsibilities as a trustee.			✓

For any other risk areas identified by this authority adequate controls existed (list any other risk areas on separate sheets if needed).

Date(s) internal audit undertaken: 21/02/2024 and 05/04/2024 and 29/04/2024

Name of person who carried out the internal audit: JDM BUSINESS SERVICES LTD

Signature of person who carried out the internal audit: [signature] Ltd

Date: 29/04/2024

***If the response is 'no' please state the implications and action being taken to address any weakness in control identified (add separate sheets if needed).**

**Note: If the response is 'not covered' please state when the most recent internal audit work was done in this area and when it is next planned; or, if coverage is not required, the annual internal audit report must explain why not (add separate sheets if needed).

Section 1 – Annual Governance Statement 2023/24

We acknowledge as the members of:

NORTHWICH TOWN COUNCIL

our responsibility for ensuring that there is a sound system of internal control, including arrangements for the preparation of the Accounting Statements. We confirm, to the best of our knowledge and belief, with respect to the Accounting Statements for the year ended 31 March 2024, that:

	Agreed Yes	*Agreed* No*		*'Yes' means that this authority:*
1. We have put in place arrangements for effective financial management during the year, and for the preparation of the accounting statements.	✓			*prepared its accounting statements in accordance with the Accounts and Audit Regulations.*
2. We maintained an adequate system of internal control including measures designed to prevent and detect fraud and corruption and reviewed its effectiveness.	✓			*made proper arrangements and accepted responsibility for safeguarding the public money and resources in its charge.*
3. We took all reasonable steps to assure ourselves that there are no matters of actual or potential non-compliance with laws, regulations and Proper Practices that could have a significant financial effect on the ability of this authority to conduct its business or manage its finances.	✓			*has only done what it has the legal power to do and has complied with Proper Practices in doing so.*
4. We provided proper opportunity during the year for the exercise of electors' rights in accordance with the requirements of the Accounts and Audit Regulations.	✓			*during the year gave all persons interested the opportunity to inspect and ask questions about this authority's accounts.*
5. We carried out an assessment of the risks facing this authority and took appropriate steps to manage those risks, including the introduction of internal controls and/or external insurance cover where required.	✓			*considered and documented the financial and other risks it faces and dealt with them properly.*
6. We maintained throughout the year an adequate and effective system of internal audit of the accounting records and control systems.	✓			*arranged for a competent person, independent of the financial controls and procedures, to give an objective view on whether internal controls meet the needs of this smaller authority.*
7. We took appropriate action on all matters raised in reports from internal and external audit.	✓			*responded to matters brought to its attention by internal and external audit.*
8. We considered whether any litigation, liabilities or commitments, events or transactions, occurring either during or after the year-end, have a financial impact on this authority and, where appropriate, have included them in the accounting statements.	✓			*disclosed everything it should have about its business activity during the year including events taking place after the year end if relevant.*
9. (For local councils only) Trust funds including charitable. In our capacity as the sole managing trustee we discharged our accountability responsibilities for the fund(s)/assets, including financial reporting and, if required, independent examination or audit.	Yes	No	N/A	*has met all of its responsibilities where, as a body corporate, it is a sole managing trustee of a local trust or trusts.*
			✓	

***Please provide explanations to the external auditor on a separate sheet for each 'No' response and describe how the authority will address the weaknesses identified. These sheets must be published with the Annual Governance Statement.**

This Annual Governance Statement was approved at a meeting of the authority on:

DD/MM/YYYY

and recorded as minute reference:

MINUTE REFERENCE

Signed by the Chair and Clerk of the meeting where approval was given:

Chair SIGNATURE REQUIRED

Clerk SIGNATURE REQUIRED

ENTER PUBLICLY AVAILABLE WEBSITE/WEBPAGE ADDRESS

Section 2 – Accounting Statements 2023/24 for

Northwich Town Council

	Year ending		Notes and guidance
	31 March 2023 £	31 March 2024 £	*Please round all figures to nearest £1. Do not leave any boxes blank and report £0 or Nil balances. All figures must agree to underlying financial records.*
1. Balances brought forward	505,251	536,949	*Total balances and reserves at the beginning of the year as recorded in the financial records. Value must agree to Box 7 of previous year.*
2. (+) Precept or Rates and Levies	541,778	561,570	*Total amount of precept (or for IDBs rates and levies) received or receivable in the year. Exclude any grants received.*
3. (+) Total other receipts	690,656	764,157	*Total income or receipts as recorded in the cashbook less the precept or rates/levies received (line 2). Include any grants received.*
4. (-) Staff costs	550,307	580,056	*Total expenditure or payments made to and on behalf of all employees. Include gross salaries and wages, employers NI contributions, employers pension contributions, gratuities and severance payments.*
5. (-) Loan interest/capital repayments	0	0	*Total expenditure or payments of capital and interest made during the year on the authority's borrowings (if any).*
6. (-) All other payments	650,429	839,839	*Total expenditure or payments as recorded in the cash-book less staff costs (line 4) and loan interest/capital repayments (line 5).*
7. (=) Balances carried forward	536,949	442,781	*Total balances and reserves at the end of the year. Must equal (1+2+3) - (4+5+6).*
8. Total value of cash and short term investments	484,116	432,056	*The sum of all current and deposit bank accounts, cash holdings and short term investments held as at 31 March – **To agree with bank reconciliation.***
9. Total fixed assets plus long term investments and assets	546,264	1,466,598	*The value of all the property the authority owns – it is made up of all its fixed assets and long term investments as at 31 March.*
10. Total borrowings	0	0	*The outstanding capital balance as at 31 March of all loans from third parties (including PWLB).*

For Local Councils Only	Yes	No	N/A	
11a. Disclosure note re Trust funds (including charitable)				*The Council, as a body corporate, acts as sole trustee and is responsible for managing Trust funds or assets.*
11b. Disclosure note re Trust funds (including charitable)				*The figures in the accounting statements above exclude any Trust transactions.*

I certify that for the year ended 31 March 2024 the Accounting Statements in this Annual Governance and Accountability Return have been prepared on either a receipts and payments or income and expenditure basis following the guidance in Governance and Accountability for Smaller Authorities – a Practitioners' Guide to Proper Practices and present fairly the financial position of this authority.

Signed by Responsible Financial Officer before being presented to the authority for approval

SIGNATURE REQUIRED

Date DD/MM/YYYY

I confirm that these Accounting Statements were approved by this authority on this date:

DD/MM/YYYY

as recorded in minute reference:

MINUTE REFERENCE

Signed by Chair of the meeting where the Accounting Statements were approved

SIGNATURE REQUIRED

Section 3 – External Auditor's Report and Certificate 2023/24

In respect of NORTHWICH TOWN COUNCIL.

1 Respective responsibilities of the auditor and the authority

Our responsibility as auditors to complete a **limited assurance review** is set out by the National Audit Office (NAO). A limited assurance review is **not a full statutory audit**, it does not constitute an audit carried out in accordance with International Standards on Auditing (UK & Ireland) and hence it **does not** provide the same level of assurance that such an audit would. The UK Government has determined that a lower level of assurance than that provided by a full statutory audit is appropriate for those local public bodies with the lowest levels of spending.

Under a limited assurance review, the auditor is responsible for reviewing Sections 1 and 2 of the Annual Governance and Accountability Return in accordance with NAO Auditor Guidance Note 02 (AGN 02 as issued by the NAO on behalf of the Comptroller and Auditor General. AGN 02 is available from the NAO website – https://www.nao.org.uk/code-audit-practice/guidance-and-information-for-auditors/ .

This authority is responsible for ensuring that its financial management is adequate and effective and that it has a sound system of internal control. The authority prepares an Annual Governance and Accountability Return in accordance with *Proper Practices* which:

- summarises the accounting records for the year ended 31 March 2024; and
- confirms and provides assurance on those matters that are relevant to our duties and responsibilities as external auditors.

2 External auditor's limited assurance opinion 2023/24

(Except for the matters reported below)* on the basis of our review of Sections 1 and 2 of the Annual Governance and Accountability Return, in our opinion the information in Sections 1 and 2 of the Annual Governance and Accountability Return is in accordance with Proper Practices and no other matters have come to our attention giving cause for concern that relevant legislation and regulatory requirements have not been met. (*delete as appropriate).

(continue on a separate sheet if required)

Other matters not affecting our opinion which we draw to the attention of the authority:

(continue on a separate sheet if required)

3 External auditor certificate 2023/24

We certify/do not certify* that we have completed our review of Sections 1 and 2 of the Annual Governance and Accountability Return, and discharged our responsibilities under the Local Audit and Accountability Act 2014, for the year ended 31 March 2024.

*We do not certify completion because:

External Auditor Name

External Auditor Signature

Date

ANNUAL RETURN

FOR THE YEAR ENDED 31 MARCH 2024

Northwich Town Council Current Year

SECTION 2 - THE STATEMENT OF ACCOUNTS

I certify that the accounts contained in this return present fairly the financial position of the council, are consistant with the underlying financial records and have been prepared on the basis of Income and Expenditure.

Responsible Financial Officer		Date	
I confirm that these accounts are approved by the Council and recorded as council minute reference		Dated	
Signed on behalf of the above Council (Chair)		Date	

		Last Year £	This Year £	General Notes for Guidance
1	Balances brought forward	505,251	536,949	Total balances and reserves at the beginning of the year as recorded in the financial records. Value must agree to Box 7 of the previous year.
2	(+) Precept or Rates and Levies	541,778	561,570	Total amount of precept (or for IDBs rates and levies) received or receivable in the year. Exclude any grants received.
3	(+) Total other receipts	690,656	764,157	Total income or receipts as recorded in the cashbook less the precept or rates/levies received (line 2). Include any grants received.
4	(-) Staff costs	550,307	580,056	Total expenditure or payments made to and on behalf of all employees. Include gross salaries and wages, employers NI contributions, employers pension contributions, gratuities and severance payments.
5	(-) Loan interest/capital repayments	0	0	Total expenditure or payments of capital and interest made during the year on the authority's borrowings (if any).
6	(-) All other payments	650,429	839,839	Total expenditure or payments as recorded in the cashbook less staff costs (line 4) and loan interest/capital repayments (line 5).
7	(=) Balances carried forward	536,949	442,781	Total balances and reserves at the end of the year. [Must equal (1+2+3)-(4+5+6)]
8	Total value of cash and short term investments	484,116	432,056	The sum of all current and deposit bank accounts, cash holdings and short term investments held as at 31 March – To agree with bank reconciliation.
9	Total fixed assets plus long term investments and assets	546,264	1,466,598	The value of all the property the authority owns – it is made up of all its fixed assets and long term investments as at 31 March.
10	Total borrowings	0	0	The outstanding capital balance as at 31 March of all loans from third parties (including PWLB).

The following documents should accompany the accounts when submitted to the auditor:

* A brief explanation of significant variations from last year to this year in Section 2;
* Bank Reconciliation as at 31 March