**CAERPHILLY CYNGOR**

**TOWN TREF**

**COUNCIL CAERFFILI**

**TOWN CLERK: TOWN MAYOR:**

**CLERC Y DREF: MAIR Y DREF:**

**P. G. Davy Councillor**

**Mike Prew**

11th May 2020

An **Ordinary Meeting** of the **Caerphilly Town Council** will be held on **Monday 18th May 2020**

at **6.30 pm** by **Remote Access**

Any Member requiring further information on any item should contact me before the Meeting.

Phil Davy

Town Clerk

**A G E N D A**

1. To note Members’ attendance and to receive any apologies for absence.

2. Declarations of Interest in any item.

3. To receive and if thought fit to confirm the Minutes of the Ordinary Council Meeting

held on 16th March 2020.

4. Matters arising from the Minutes if not covered by the Agenda.

5. **TOWN CLERK’S REPORTS**

5.1 Q4 Budget Monitoring 2019/20 Financial Year.

5.2 Annual Return for the Year Ended 31st March 2020.

5.3 Insurance Renewal.

Address: The "Twyn Community Centre The Twyn Caerphilly CF83 IJL

Telephone: Caerphilly 02920 888777

E-mail: caerphillytowncouncil@outlook.com

Office hours: Monday, Tuesday and Wednesday mornings 9.30a.m. to 12.30p.m

6. **CORONAVIRUS EPIDEMIC**

Implications for Town Council activities and business management.

7. **PAYMENTS AND FINANCIAL MATTERS**

7.1 List of Payments.

7.2 Bank Account Balances.

8. **NOTICE OF MOTION**

9. **MEMBER REQUESTS FOR FUTURE REPORTS**

This meeting will be held in accordance with the Local Authorities (Coronavirus)

(Meetings) (Wales) Regulations 2020. The Regulations make temporary provision in

relation to local authority meetings during the Covid 19 pandemic. Statutory requirements

placed on local authorities by existing legislation to admit the public and press in person to

certain meetings and to provide facilities to inspect certain documents in person at offices of

the authority are relaxed for the duration of the Regulations.

All documentation about and relating to this and any other Town Council Meeting

undertaken by remote access will be made available on the Town Council Website

[www.caerphillytowncouncil.co.uk](http://www.caerphillytowncouncil.co.uk)

**MINUTES OF THE ORDINARY MEETING OF CAERPHILLY TOWN**

**COUNCIL HELD AT THE TWYN COMMUNITY CENTRE**

**ON MONDAY 16TH MARCH 2020**

**Present:**

Councillors S Kent, J Hibbert, J Grenfell, M Prew, H Jackson, J Fussell, J Pritchard, R Bidgood

**Apologies:**

Councillors P J Bevan, C Elsbury, S Hodder, S Morgan

**In Attendance**

Iwan Adams, Gwent Police

P G Davy, Town Clerk

**98 MINUTES OF THE ORDINARY TOWN COUNCIL MEETING HELD ON 17TH FEBRUARY 2020**

Minutes of the Ordinary Town Council Meeting held on 17th February 2020 were received, confirmed and signed.

**99 MATTERS ARISING**

Minute 89 – due to the coronavirus epidemic the Mayor’s Presentation Evening on 26th March had been cancelled.

Minute 93.3 – the Town Council had received an invitation to attend a meeting of the Royal British Legion Branch on 17th March to discuss the VE Day 75 Anniversary, but this had been cancelled. Information on proposals to mark the Anniversary will be circulated by email.

**100 COMMUNITY SAFETY**

1 Members discussed the position with the coronavirus epidemic and the latest advice from government to limit social contacts and stop unnecessary travel. The Town Clerk advised that many organisations were stopping face to face meetings and extending home working. It was agreed to implement the following actions:

1 To suspend all Town Council meetings for the foreseeable future

2 To close the Town Council office with effect from 17th March

3 Staff to work from home

4 Town Council business to continue by email and telephone

5 The Town Clerk to monitor the developing situation and advise when normal arrangements can be resumed.

2 A written report had been received from Gwent Police and the following were noted:

* There had been an increase in domestic burglaries. It had been planned to hold a Burglary Awareness Event, but this was unlikely to go ahead in the current circumstances
* The police had been targeting anti social behaviour on Churchill Park and had spoken to parents of a number of children
* There had been anti social behaviour at Llwyn-On Street with bins being taken and set on fire
* Shoplifting had increased and the police were liaising with retail managers
* An arrest had been made following the theft of a transporter van on Pontygwindy Road.

Members raised the following with the police:

* Boy racers at Llwyn -On Street, St Martins Road and Nantgarw Road
* Anti social behaviour at Kingsmead Estate

PC Adams reminded the need for residents to report all incidents to 101 as this was the means by which information was used to identify where resources should be deployed.

All police planned engagement events for the Easter holidays had been cancelled.

**101 TOWN MAYOR’S DIARY**

The Mayor had attended a presentation on State of Mind charity which was tackling the problem of suicides amongst young sports people.

**102 ENVIRONMENTAL MATTERS**

There had been complaints about the amount of rubbish at the Park and Ride car park adjacent to Caerphilly railway station. CCBC to be approached about waste bins.

Although CCBC had advised that the problems with the pedestrian phasing at the traffic lights adjacent to the Cenotaph had been addressed, it was reported that the problems were ongoing.

**103 TOWN CLERK’S REPORTS**

1 Membership of One Voice Wales 2020/21

Members considered the invitation from the Chief Executive of One Voice Wales but decided not to take up membership due to the significant annual cost.

2 Town Council Office Door Access Control

Following the lone worker risk assessment, it had been agreed that the security of the Town Council office should be improved independently of any measures the Twyn Community Centre Management Committee may take on the external doors to the building.

Quotations had been invited for a video intercom with keypad integrated with an electromagnetic lock. Since the report had been prepared a third quote had been received for £1100 ex vat. However, this was based on a lower specification. Following discussion it was resolved to accept the quotation from CDS Integrated Security Systems in the sum of £1885 plus vat.

**104 PLANNING MATTERS**

The following planning applications were considered, and comments made as follows:

20/0070/RET – no objections

20/0138/ADV – no objections

20/0150/COU – concerns raised on the limited parking

20/0157/FULL – no objections

20/0139/LA – no objections

20/0176/ADV – no objections

20/0197/NCC – no objections

Councillor J Fussell declared an interest and took no part in the discussion or decision making on any of the applications.

Councillor H Jackson and S Kent declared an interest in application 20/0139/LA and took no part on the discussion or decision making on this application.

**105 PAYMENTS AND FINANCIAL MATTERS**

1 List of payments were noted and approved

2 Bank account balances were noted

3 No applications for financial assistance had been received

**106 CORRESPONDENCE**

1 Donation of Christmas Tree

It was agreed that Councillor S Kent would view the tree and advise on suitability, transport, and erection at Twyn for Christmas 2020.

2 CCBC Car Parks Task and Finish Group

It was agreed to support the views previously expressed by Councillor P Bevan to maintain free parking period at the Crescent Road car park for parents dropping off children at YGG Castell school.

3 CCBC Traffic Regulation Order Programme

It was agreed to support all the proposals in Phase 1,2,3 subject to the following amendments:

* Correction to Dol y Felin Street, not Celyn Avenue
* Allow Sunday parking on double yellow lines outside Elim Connect Life Church, Crescent Road

**107 MEMBER REQUESTS FOR FUTURE REPORTS**

There were no requests.

The meeting closed at 7.25pm

**Agenda Item 5.1**

**Report to Town Council**

**Q4 Budget Monitoring (2019/20 Financial Year)**

Comparison of actual expenditure to annual estimate for the period 1st April 2019 to 31st March 2020

|  |  |  |
| --- | --- | --- |
| **Main Budget Heads** | **Q4 Actual £** | **Annual Estimate £** |
| Mayor’s Allowance | 900.00 | 900 |
| Members Allowances | 450.00 | 1800 |
| Staff Costs | 19240.08 | 19300 |
| Travelling Expenses | 0.00 | 500 |
| Audit Fees | 402.90 | 400 |
| Insurance | 1586.94 | 2000 |
| Office Costs | 10145.84 | 8330 |
| Sponsored Events | 13511.76 | 14550 |
| Concessionary Hires | 990.00 | 2970 |
| Fireworks Display | 12448.85 | 15000 |
| Fireworks Charity Donation | 2200.00 | 4000 |
| Floral Decorations | 10591.00 | 12000 |
| Christmas Lights | 9714.32 | 10533 |
| Lantern Parade | 7125.31 | 8500 |
| Financial Assistance (inc S137) | 2800.00 | 6000 |
| Summer Sports Scheme | 4800.00 | 4800 |
| Newsletter | 525.00 | 600 |
| Elections | 0.00 | 0 |
| Miscellaneous | 79.00 | 1050 |
| VAT | 12784.12 |  |
| CIL Projects | 21000.00 |  |
| **TOTAL** | 131,295.12 | 113,233 |

Budget for 2019/20 £113,233

Expenditure to 31.3.20 £131,295.12 (16% increase on estimate)

Members are invited to note the report

**Agenda Item 5.2**

**Report to Town Council 18th May 2020**

**Annual Return for the Year Ended 31st March 2020**

The following are attached to the report:

Appendix 1 Accounting Statements

Appendix 2 Annual Governance Statement

Appendix 3 Annual Internal Report

Appendix 4 Income and Expenditure Account (as ledger)

Appendix 5 Bank Reconciliation Statement

Appendix 6 Asset Register

As part of the accounting statements the external auditors (BDO acting on behalf of the Auditor General for Wales) have requested an explanation of variances between the 2018/19 and 2019/20 accounts in the 2019/20 annual return.

The precept was increased to £15.50 for a Band D property which resulted in an increased income of £10,000. This was to enable the funding of the Lantern Parade in 2019 at a cost of £8550. The other main variances arise from the income and expenditure on CIL projects. A grant of £8000 from CCBC to meet 50% of the costs of the Welsh National Anthem Memorial was the main reason for the increase in other receipts. Expenditure on CIL projects was £21000, requiring a draw down from the restricted reserves, which together with the expenditure on the Lantern Parade which largely accounts for the increase in total other payments.

The reduction in total assets is due to a revaluation of the stock of Christmas Lights as a significant part of the older stock of motifs has been written off due to failure of PAT tests.

To support the annual governance statement BDO has requested:

1 Photograph showing the audit notice has been displayed in a conspicuous place

2 Evidence that the Council has addressed all the audit issues identified and reported to the Council at the conclusion of the 2017/18 audit

3 A schedule of all Council meetings held during 2019/20

4 The Council’s current website address

In the 2017/18 audit the external auditor identified the Town Council had incorrectly recorded items of expenditure as Section 137 payments when there are other statutory powers. (Section 137 of the Local Government Act 1972 enables councils to incur expenditure for certain purposes, not otherwise authorised, which in their opinion is in the interest of, and will bring direct benefit to, their area or any part of it, or all or some of its inhabitants. Welsh Government sets the annual statutory limit per elector.) A payment cannot be recorded under S137 if another statutory power exists. Recording of expenditure within the ledger has been amended to separately record payments made under S137. The minutes also record where appropriate if the expenditure is authorised under S137, or other statutory provision.

The accounts have been subject of internal audit and no issues have been raised.

The Town Clerk in his capacity as Responsible Financial Officer has certified the accounting statements.

It is recommended:

The Town Council approves the Annual Return which includes the accounting statements, the annual governance statement, and internal audit report, and the Annual Return is signed by the Mayor on behalf of the Town Council. The Annual Return for the year ended 31st March 2020 will then be submitted to the external auditors.

Phil Davy

Town Clerk

**Appendix 1, Appendix 2, Appendix 3**

**LANGUAGE PREFERENCE**

Please indicate how you would like us to communicate with you during the audit. Note that audit notices will be issued bilingually.

|  |  |  |  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- |
|  | Yes | No |  |  | Yes | No |  |  | Yes | No |
| **ENGLISH** |  |  |  | **WELSH** |  |  |  | **BILINGUALLY** |  |  |

**THE ACCOUNTS AND AUDIT PROCESS**

Section 12 of the Public Audit (Wales) Act 2004 requires community and town councils (and their joint committees) in Wales to make up their accounts each year to 31 March and to have those accounts audited by the Auditor General for Wales. Regulation 14 of the Accounts and Audit (Wales) Regulations 2014 states that smaller local government bodies i.e. those with annual income and expenditure below £2.5 million must prepare their accounts in accordance with proper practices.

For community and town councils and their joint committees, proper practices are set out in the One Voice Wales/Society of Local Council Clerks publication **Governance and accountability for local councils in Wales – A Practitioners’ Guide** (the Practitioners’ Guide). The Practitioners’ Guide requires that they prepare their accounts in the form of an Annual Return. This Annual Return meets the requirements of the Practitioners’ Guide.

The accounts and audit arrangements follow the process as set out below.

|  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- |
| RFO/Clerk prepares accounting statements and Annual Governance Statement. Internal audit completes internal audit report. RFO certifies return (below Part 2 of the Annual Governance Statement) **before 30 June** and presents the return to the body. |  | The body approves the Annual Return by 30 June. This is evidenced by the Chair signing the box below Part 2 of the Annual Governance Statement.  RFO/Clerk sends the Annual Return and copies of requested evidence to the external auditor acting on behalf of the Auditor General for Wales. |  | External auditor completes audit and: | | |
|  | | |
| Either:  If no amendments are required, certifies the Annual Return and sends it back to the body for publishing by 30 September. |  | Or:  If amendments are required, reports issues (including amendments) to the body. The body amends the Annual Return, the RFO re-certifies and the body re-approves before sending it back to the auditor. The auditor then certifies the Annual Return and sends it back to the body for publishing by 30 September. |

**Please read the guidance on completing this Annual Return and** **complete all sections highlighted pink including BOTH sections of the Annual Governance Statement.**

**APPROVING THE ANNUAL RETURN**

**There are two boxes for certification and approval by the body. The second box is only required   
if the Annual Return has to be amended as a result of the audit. You should only complete the top box before sending the form to the auditor.**

**The council must approve the Annual Return BEFORE the accounts and supporting documents are made available for public inspection under section 30 of the Public Audit (Wales) Act 2004.**

**The Auditor General for Wales’ Audit Certificate and report is to be completed by the auditor acting on behalf of the Auditor General. It MUST NOT be completed by the Clerk/RFO, the Chair or the internal auditor.**

Audited and certified returns are sent back to the body for publication and display of the accounting statements,   
Annual Governance Statement and the Auditor General for Wales’ certificate and report.

**Accounting statements 2019-20 for:**

|  |  |
| --- | --- |
| **Name of body:** |  |

|  |  |  |  |
| --- | --- | --- | --- |
|  | **Year ending** | | **Notes and guidance for compilers** |
| **31 March 2019**  **(£)** | **31 March 2020**  **(£)** | **Please round all figures to nearest £.**  **Do not leave any boxes blank and report £0 or nil balances. All figures must agree to the underlying financial records for the relevant year.** |
| Statement of income and expenditure/receipts and payments | | | |
| 1. Balances brought forward | 53285 | 53931 | Total balances and reserves at the beginning of the year as recorded in the financial records. Must agree to line 7 of the previous year. |
| 1. (+) Income  from local taxation/levy | 87128 | 97054 | Total amount of income received/receivable in the year from local taxation (precept) or levy/contribution from principal bodies. |
| 1. (+) Total other receipts | 19225 | 27608 | Total income or receipts recorded in the cashbook minus amounts included in line 2. Includes support, discretionary and revenue grants. |
| 1. (-) Staff costs | 18226 | 19240 | Total expenditure or payments made to and on behalf of  all employees. Include salaries and wages, PAYE and NI (employees and employers), pension contributions and related expenses eg. termination costs. |
| 1. (-) Loan  interest/capital repayments | 0 | 0 | Total expenditure or payments of capital and interest made during the year on external borrowing (if any). |
| 1. (-) Total other payments | 87481 | 112055 | Total expenditure or payments as recorded in the cashbook minus staff costs (line 4) and loan interest/capital repayments (line 5). |
| 1. (=) Balances carried forward | 53931 | 47298 | Total balances and reserves at the end of the year. Must equal (1+2+3) – (4+5+6). |
| Statement of balances | | | |
| 1. (+) Debtors and stock balances | 0 | 0 | **Income and expenditure accounts only:** Enter the value of debts owed to the body and stock balances held at the year-end. |
| 1. (+) Total  cash and investments | 53931 | 47298 | **All accounts:** The sum of all current and deposit bank accounts, cash holdings and investments held at 31 March. This must  agree with the reconciled cashbook balance as per the bank reconciliation. |
| 1. (-) Creditors | 0 | 0 | **Income and expenditure accounts only:** Enter the value of monies owed by the body (except borrowing) at the year-end. |
| 1. (=) Balances carried forward | 53931 | 47298 | **Total balances should equal line 7 above:** Enter the total of (8+9-10). |
| 1. Total fixed assets and  long-term assets | 55925 | 47766 | The asset and investment register value of all fixed assets and any other long-term assets held as at 31 March. |
| 1. Total borrowing | 0 | 0 | The outstanding capital balance as at 31 March of all loans from third parties (including PWLB). |

|  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- |
| 1. Trust funds disclosure note | **Yes** | **No** | **N/A** | **Yes** | **No** | **N/A** | The body acts as sole trustee for and is responsible for managing (a) trust fund(s)/assets (readers should note that the figures above do not include any trust transactions). |
|  |  |  |  |  |  |

**Annual Governance Statement (Part 1)**

We acknowledge as the members of the Council/Board/Committee, our responsibility for ensuring that there is a sound system of internal control, including 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 2020, that:

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
|  | Agreed? | | ‘YES’ means that the Council/Board/Committee: | PG Ref |
| Yes | No\* |
| **1.** We have put in place arrangements for:   * effective financial management during the year; and * the preparation and approval of the accounting statements. |  |  | Properly sets its budget and manages its money and prepares and approves its accounting statements as prescribed by law. | 6, 12 |
| **2.** We have 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. | 6, 7 |
| **3.** We have taken all reasonable steps to assure  ourselves that there are no matters of actual or potential non-compliance with laws, regulations and codes of practice that could have a significant financial effect on the ability of the Council/Board/ Committee to conduct its business or on its finances. |  |  | Has only done things that it has  the legal power to do and has conformed to codes of practice and standards in the way it has done so. | 6 |
| **4.** We have provided proper opportunity for the  exercise of electors’ rights in accordance with the requirements of the Accounts and Audit (Wales) Regulations 2014. |  |  | Has given all persons interested  the opportunity to inspect the body’s accounts as set out in the notice of audit. | 6, 23 |
| **5.** We have carried out an assessment of the risks facing the Council/Board/Committee and taken appropriate steps to manage those risks, including the introduction of internal controls and/or external insurance cover where required. |  |  | Considered the financial and other risks it faces in the operation of  the body and has dealt with them properly. | 6, 9 |
| **6.** We have maintained an adequate and effective system of internal audit of the accounting records  and control systems throughout the year and have received a report from the internal auditor. |  |  | Arranged for a competent person, independent of the financial controls and procedures, to give an objective view on whether these meet the needs of the body. | 6, 8 |
| **7.** We have considered whether any litigation,  liabilities or commitments, events or transactions, occurring either during or after the year-end, have a financial impact on the Council/Board/Committee and, where appropriate, have included them on the accounting statements. |  |  | Disclosed everything it should have about its business during the year including events taking place after the year-end if relevant. | 6 |
| **8.** We have taken appropriate action on all matters raised in previous reports from internal and external audit. |  |  | Considered and taken  appropriate action to address issues/weaknesses brought to its attention by both the internal and external auditors. | 6, 8, 23 |

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
| **9.** Trust funds – in our capacity as trustee, we have:   * discharged our responsibility in relation to the accountability for the fund(s) including financial reporting and, if required, independent examination or audit. | **Yes** | **No** | **N/A** | Has met all of its responsibilities where it is a sole managing trustee of a local trust or trusts. | 3, 6 |
|  |  |  |

\* Please provide explanations to the external auditor on a separate sheet for each ‘no’ response given; and describe what action is being taken to address the weaknesses identified.

**Annual Governance Statement (Part 2)**

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
|  |  | Agreed? | | ‘YES’ means that the Council/Board/ Committee: |
| Yes | No\* | N/A |
| **1.** We have prepared and approved minutes for all meetings held by the Council (including its committees) that accurately record the business transacted and the decisions made by the Council or committee. |  |  |  | Has kept and approved minutes in accordance with Schedule 12, Paragraph 41 of the Local Government Act 1972. |
| **2.** We have ensured that the Council’s minutes (including those of its committees) are available for public inspection and have been published electronically. |  |  |  | Has made arrangements for the minutes to be available for public inspection in accordance with section 228 of the Local Government Act 1972 and has published the minutes on its website in accordance with section 55 of the Local Government (Democracy) (Wales) Act 2013. |

\* Please delete as appropriate.

### **Council/Board/Committee approval and certification**

The Council/Board/Committee is responsible for the preparation of the accounting statements in accordance with the requirements of the Accounts and Audit (Wales) Regulations 2014 and for the preparation of the Annual Governance Statement.

|  |  |
| --- | --- |
| **Certification by the RFO**  I certify that the accounting statements contained in this Annual Return presents fairly the financial position of the Council/Board/ Committee, and its income and expenditure, or properly presents receipts and payments, as the case may be, for the year ended  31 March 2020. | **Approval by the** **Council/Board/Committee**  I confirm that these accounting statements and  Annual Governance Statement were approved by the Council/Board/Committee under minute reference: |
| **Minute ref:** |
| **RFO signature:** | **Chair of meeting signature:** |
| **Name:** P G Davy | **Name:** |
| **Date:** 8.5.20 | **Date:** |

### **Council/Board/Committee re-approval and re-certification (only required if the Annual Return has been amended at audit)**

|  |  |
| --- | --- |
| **Certification by the RFO**  I certify that the accounting statements contained in this Annual Return presents fairly the financial position of the Council/Board/ Committee, and its income and expenditure, or properly presents receipts and payments, as the case may be, for the year ended  31 March 2020. | **Approval by the Council/Board/Committee**  I confirm that these accounting statements and  Annual Governance Statement were approved by the Council/Board/Committee under minute reference: |
| **Minute ref:** |
| **RFO signature:** | **Chair of meeting signature:** |
| **Name:** | **Name:** |
| **Date:** | **Date:** |

**Auditor General for Wales’ Audit Certificate and report**

The external auditor conducts the audit on behalf of, and in accordance with, guidance issued by the Auditor General for Wales. On the basis of their review of the Annual Return and supporting information, they report whether any matters that come to their attention give cause for concern that relevant legislation and regulatory requirements have not been met.

We certify that we have completed the audit of the Annual Return for the year ended 31 March 2020 of:

|  |
| --- |
|  |

### **External auditor’s report**

|  |
| --- |
| [Except for the matters reported below]\* On the basis of our review, in our opinion, the information contained in the Annual Return is in accordance with proper practices and no matters have come to our attention giving cause for concern that relevant legislation and regulatory requirements have not been met.  [[These matters along with]\* Other matters not affecting our opinion which we draw to the attention of the body and our recommendations for improvement are included in our report to the body dated \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_.] |

### **Other matters and recommendations**

|  |
| --- |
| On the basis of our review, we draw the body’s attention to the following matters and recommendations which do not affect our audit opinion but should be addressed by the body.  (Continue on a separate sheet if required.) |

|  |  |  |
| --- | --- | --- |
| **External auditor’s name:** | **SIGNATURE REQUIRED** | |
| **External auditor’s signature:**  **For and on behalf of the Auditor General for Wales** | | **Date: DD/MM/YYYY** |

**\*** Delete as appropriate.

**Annual internal audit report to:**

|  |  |
| --- | --- |
| **Name of body:** | Caerphilly Town Council |

The Council/Board/Committee’s internal audit, acting independently and on the basis of an assessment of risk,   
has included carrying out a selective assessment of compliance with relevant procedures and controls expected   
to be in operation during the financial year ending 31 March 2020.

The internal audit has been carried out in accordance with the Council/Board/Committee’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 the internal audit conclusions on whether,   
in all significant respects, the following control objectives were being achieved throughout the financial year to a standard adequate to meet the needs of the Council/Board/Committee.

|  | Agreed? | | | | Outline of work undertaken as part of the internal audit (NB not required if detailed internal audit report presented to body) |
| --- | --- | --- | --- | --- | --- |
| Yes | No\* | N/A | Not covered\*\* |
| **1.** Appropriate books of account have been properly kept throughout the year. |  |  |  |  |  |
| **2.** Financial regulations have been met, payments were supported by invoices, expenditure was approved and VAT was appropriately accounted for. |  |  |  |  |  |
| **3.** The body assessed the significant risks to achieving its objectives  and reviewed the adequacy of arrangements to manage these. |  |  |  |  |  |
| **4.** The annual precept/levy/resource demand requirement resulted from an adequate budgetary process, progress against the budget was regularly monitored, and reserves were appropriate. |  |  |  |  |  |
| **5.** Expected income was fully received, based on correct prices, properly recorded and promptly banked, and VAT was appropriately accounted for. |  |  |  |  |  |
| **6.** Petty cash payments were  properly supported by receipts, expenditure was approved and  VAT appropriately accounted for. |  |  |  |  |  |
| **7.** Salaries to employees and allowances to members were paid in accordance with minuted approvals, and PAYE and NI requirements were properly applied. |  |  |  |  |  |
| **8.** Asset and investment registers were complete, accurate,  and properly maintained. |  |  |  |  |  |

|  | Agreed? | | | | Outline of work undertaken as part of the internal audit (NB not required if detailed internal audit report presented to body) |
| --- | --- | --- | --- | --- | --- |
| Yes | No\* | N/A | Not covered\*\* |
| **9.** Periodic and year-end bank account reconciliations were properly carried out. |  |  |  |  |  |
| **10.** Accounting statements prepared during the year were prepared  on the correct accounting basis (receipts and payments/income  and expenditure), agreed with the cashbook, were supported by an adequate audit trail from underlying records, and where appropriate, debtors and creditors were properly recorded. |  |  |  |  |  |
| **11.** Trust funds (including charitable trusts). The Council/Board/ Committee has met its responsibilities as a trustee. |  |  |  |  |  |

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
| For any risk areas identified by the Council/Board/Committee (list any other risk areas below or on separate sheets if needed) adequate controls existed: | | | | | |
|  | Agreed? | | | | Outline of work undertaken as part of the internal audit (NB not required if detailed internal audit report presented to body) |
| Yes | No\* | N/A | Not covered\*\* |
| **12.** Insert risk area |  |  |  |  | Insert text |
| **13.** Insert risk area |  |  |  |  | Insert text |
| **14.** Insert risk area |  |  |  |  | Insert text |

\* 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).

\*\* 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, internal audit must explain why not.

[My detailed findings and recommendations which I draw to the attention of the Council/Board/Committee are included in my detailed report to the Council/Board/Committee dated \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_.] \* Delete if no report prepared.

### **Internal audit confirmation**

I/we confirm that as the Council’s internal auditor, I/we have not been involved in a management or administrative role within the body (including preparation of the accounts) or as a member of the body during the financial years 2018-19 and 2019-20. I also confirm that there are no conflicts of interest surrounding my appointment.

|  |
| --- |
| **Name of person who carried out the internal audit: Gwyn L. James** |
| **Signature of person who carried out the internal audit:** |
| **Date: 8th May 2020** |

**Guidance notes on completing the Annual Return**

1. You must apply proper practices when preparing this Annual Return. Proper practices are set out in the Practitioners’ Guide.
2. Make sure that the Annual Return is fully completed ie, no empty red boxes. Please avoid making any amendments to the completed return. If this is unavoidable, cross out the incorrect entries, make sure the amendments are drawn to the attention of the body, properly initialled and an explanation for them is provided to the external auditor. **Please do not use correction fluid.** Annual returns that are incomplete or contain unapproved and/or unexplained amendments or correction fluid will be returned unaudited and may incur additional costs. Ask your auditor for an electronic copy of the form if required.
3. Use a second pair of eyes, perhaps the Chair or a member, to review your Annual Return for completeness before sending the original form to the auditor.
4. Make sure that your accounting statements add up, that the balance carried forward from the previous year   
   (line 7 of 2019) equals the balance brought forward in the current year (line 1 of 2020). Explain any differences between the 2019 figures on this Annual Return and the amounts recorded in last year’s Annual Return.
5. Explain fully any significant variances in the accounting statements. Do not just send in a copy of your detailed accounting records instead of this explanation. The external auditor wants to know that you understand the reasons for all variances. Include a detailed analysis to support your explanation and be specific about the values of individual elements making up the variances.
6. Make sure that the copy of the bank reconciliation you send to your auditor with the Annual Return covers   
   **all** your bank accounts and cash balances. If there are no reconciling items, please state this and provide evidence of the bank balances. If your Council holds any short-term investments, please note their value on   
   the bank reconciliation. The auditor should also be able to agree your bank reconciliation to line 9 in the accounting statements. More help on bank reconciliations is available in the Practitioners’ Guide.
7. **Every council must send to the external auditor, information to support the assertions made in the Annual Governance Statement even if you have not done so before.** Your auditor will tell you what information you need to provide. Please read the audit notice carefully to ensure you include all the information the auditor has asked for. You should send **copies** of the original records (certified by the Clerk and Chair as accurate copies) to the external auditor and not the original documents themselves.
8. Please do not send the auditor any information that you are not specifically asked for. Doing so is not helpful.
9. If the auditor has to review unsolicited information, repeat a request for information, receives an incomplete bank reconciliation or explanation of variances or receives original documents that must be returned, the auditor will incur additional costs for which they are entitled to charge additional fees.
10. **Please deal with all correspondence with the external auditor promptly.** This will help you to meet your statutory obligations and will minimise the cost of the audit.
11. **Please note that if completing the electronic form, you must print the form for it to be certified by the RFO and signed by the Chair before it is sent to the auditor.**

|  |  |  |  |
| --- | --- | --- | --- |
| Completion checklist – ‘No’ answers mean that you may not have met requirements | | Done? | |
| Initial submission to the external auditor | | Yes | No |
| **Accounts** | Do the papers to be sent to the external auditor include an explanation of significant variations from last year to this year? |  |  |
| Does the bank reconciliation as at 31 March 2020 agree to Line 9? |  |  |
| **Approval** | Has the RFO certified the accounting statements and Annual Governance Statement (Regulation 15 (1)) no later than 30 June 2020? |  |  |
| Has the body approved the accounting statements before 30 June 2020 and has Section 3 been signed and dated by the person presiding at the meeting at which approval was given? |  |  |
| **All sections** | Have all pink boxes in the accounting statements and Annual Governance Statement been completed and explanations provided where needed? |  |  |
| Has all the information requested by the external auditor been sent with this Annual Return?  Please refer to your notice of audit and any additional schedules provided by your external auditor. |  |  |

|  |  |  |  |
| --- | --- | --- | --- |
| If accounts are amended after receipt of the Auditor General’s report on matters arising | | Yes | No |
| **Accounts** | Have the amended accounting statements been approved and Section 3 re-signed and re-dated as evidence of the Board’s approval of the amendments before re-submission to the auditor? |  |  |

Appendix 4

Income and Expenditure Account (as ledger)

1st April 2019 to 31st March 2020

|  |  |  |
| --- | --- | --- |
|  | 2019/20 | 2018/19 |
| Income | £ | £ |
| **Precept** | **97053.72** | **87128.44** |
| **Refund of VAT** | **7142.23** | **5129.53** |
| **Fireworks Sponsorship** | **2950.00** | **3350.00** |
| **Fireworks Collection** | **2021.02** | **3427.09** |
| **CIL** | **7379.79** | **6718.95** |
| **Other** | **8000.00** | **141.56** |
| **Bank Interest** | **115.09** | **457.76** |
| Total | **124661.85** | **106353.33** |

|  |  |  |
| --- | --- | --- |
| Expenditure | £ | £ |
| **Mayor’s Allowance** | **900.00** | **900.00** |
| **Member Allowances** | **450.00** | **0.00** |
| **Staff costs (inc payroll admin)** | **18913.56** | **18158.03** |
| **Pension contributions** | **326.52** | **199.88** |
| **Travelling expenses** | **0.00** | **156.60** |
| **Audit Fees** | **402.90** | **463.40** |
| **Insurance** | **1586.94** | **1718.21** |
| **Office costs** | **10145.84** | **6660.73** |
| **Sponsored Events** | **14501.76** | **15528.47** |
| **Fireworks Display** | **12448.85** | **13809.60** |
| **Fireworks Charity Donation** | **2200.00** | **3500.00** |
| **Floral Decorations** | **10591.00** | **21977.59** |
| **Christmas Lights** | **9714.32** | **5401.52** |
| **Lantern Parade** | **7125.31** | **0.00** |
| **Financial Assistance** | **2800.00** | **4710.00** |
| **Summer Sports Scheme** | **4800.00** | **4727.00** |
| **Newsletter** | **525.00** | **525.00** |
| **Miscellaneous** | **79.00** | **125.00** |
| **VAT** | **12784.12** | **7142.23** |
| **CIL** | **21000.00** | **0.00** |
| Total | **131,295.12** | **105,703.26** |

Appendix 5

Bank Reconciliation Statement

Caerphilly Town Council

Financial Year 2019/20

Prepared by Phil Davy, Town Clerk and Responsible Financial Officer

Balance as bank statements at 31st March 2020

**£**

Community Direct Plus Account (current a/c) 23,766.25

Business Select Account (operational reserves) 10,599.25

Business Select Account (restricted reserves) 12,932.89

Net Balances 47,298.39

Cash Book

Opening balance 1st April 2019 53,931.66

Add receipts 124,661.85

178,593.51

Less payments as per cash book 131,295.12

Closing balances as cash book 31st March 2020 47,298.39

Signed P G Davy, Town Clerk

Date 8.5.20

APPENDIX 6 CAERPHILLY TOWN COUNCIL ASSETS

AS AT 3 RD NOVEMBER 2019 (REPLACEMENT COST)

|  |  |
| --- | --- |
| Olivetti MFP (2019) (net of VAT) | 3490 |
| I.T. EQUIPMENT  Computers/Monitors 2019 (net of VAT)  Printer  Laptop  Laminator 2019 (net of VAT) | 1045  200  500  21 |
| Existing Stock Replacement (new) (net of VAT) Christmas Decorations  New stock 2019 20 motifs (net of VAT) | 21700  4500 |
| Mayor's Chain of Office | 6000 |
| Deputy Mayor's Chain of Office | 500 |
| P.A. System | 900 |
| Electric Cable | 700 |
| Office Furniture | 2000 |
| External Notice Board | 800 |
| Telephone/Shredder | 170 |
| Road Closure Signs | 175 |
| Flood Lighting St. Martin's Church | 4,000 |
| Hanging Baskets | 1065 |
|  |
| TOTAL | 47,766 |  |

**Agenda Item 5.3**

**Report to Town Council 18 May 2020**

**Insurance Renewal**

The Town Council’s insurance is due for renewal on 1st June 2020. Following a tender exercise in 2018 insurance was placed with Inspire through Local Council sector brokers Came and Company. The premium was £1718-21 which represented a significant saving on the previous year. In 2019 the policy was renewed through Came and Company as part of a three year agreement with an annual premium of £1586-94. The three year agreement runs to 31st May 2022.

The Town Council’s core requirements are:

* Public Liability
* Employers Liability
* Officials Indemnity
* Libel and Slander
* Fidelity Guarantee
* Personal Accident
* Money cover (limited cash)
* Commercial legal expenses

There have been a number of company changes since the last renewal of the insurance. Came and Company are now part of Arthur J Gallagher Insurance Brokers and Inspire has become part of Pen Underwriting Limited. Pen Underwriting Limited is a company within the Gallagher group and acts on behalf of a number of insurers. They have confirmed they will continue to use AXA as their insurance provider and rradar for legal expenses insurance and advice to the local council sector.

The premium to renew the insurance for 2020/21 is quoted as £1684-55 a 6% increase on 2019/20. This does include an increase in the Insurance Premium Tax (IPT) which is set by government and an administrative fee of £50-00. Furthermore, there are 4 pages of policy changes including a coronavirus exclusion.

The benefits of the three year agreement were fixing costs and policy terms.

Clause a of the agreement stated:

“For the duration of the agreement we agree to leave unchanged your annual premium rates and policy details. In return you agree to renew with us each year for the duration of the agreement.” This is of course subject to no changes to the cover required by the Town Council.

Came and Company has been challenged as to whether they have met the requirements stipulated in the agreement and, if not, whether this releases the Town Council from the agreement. The broker has responded that within the terms of the three year agreement the premium may increase in the following circumstances:

* Policy changes where the sums insured for assets covered against loss or damage are increased
* The annual inflationary increase (index linking) applied to the sums insured for the assets covered against loss or damage (between 3 to 4% for 2020)
* The imposition by the Government of a higher rate of Insurance Premium Tax (IPT) – currently at 12%

The broker has further advised that any changes to the terms and conditions other than those stated above releases the Town Council from the three year agreement. It is the opinion of the Town Clerk that the imposition of 4 pages of changes to the policy by the insurer, including the coronavirus exclusion, does release the Town Council from the agreement.

The premium has also increased due to the addition of the Came and Company administration fee (£50) which was waived last year as a goodwill gesture.

Notwithstanding the position with the agreement the renewal premium is still less than an alternative quote obtained last year. The balance of benefit in respect of the policy changes probably favours the insurer but switching insurer is unlikely to generate significant cover improvements.

It is recommended that the insurance is renewed for 2020/21 via Came and Company at the annual premium of £1684-55.

Phil Davy

Town Clerk

Agenda Item 7.1

Report to Town Council 18th May 2020

List of Payments

|  |  |  |  |
| --- | --- | --- | --- |
| **Cheque No** | **Payee** | **In Respect of** | **Amount £** |
| Internet | Playworks | Salaries (March) | 1576.13 |
| Debit Card | Information Commissioner | Registration Renewal | 40.00 |
| 304090 | Rubin Eynon | Welsh National Anthem Artwork | 10,800.00 |
| Direct Debit | Nest | Pension (March) | 27.21 |
| Internet | CCBC | Lantern Parade | 8550.37 |
| Internet | CCBC | Electric Charge Points | 5000.00 |
| 304091 | M Pew | Mayor’s Allowance (4) | 225.00 |
| 304092 | Caerffili Lions | Charity Donation | 1100.00 |
| 304093 | Velindra Hospital | Charity Donation | 1100.00 |
| 304094 | Digital Systems | Printing | 55.12 |
| Internet | Twyn CC | Rent and Room Hire | 832.00 |
| Internet | Playworks | Salaries (April) | 1612.29 |
| Direct Debit | Nest | Pension (April) | 27.21 |
| 304095 | J Pritchard | Mandatory Allowance | 150.00 |
| 304096 | M. Hodder | Mandatory Allowance | 150.00 |
| 304097 | P J Bevan | Mandatory Allowance | 150.00 |
| Internet | CCBC | Website Hosting | 600.00 |
| Internet | CCBC | NNDR | 789.13 |

It is recommended that Members note and approve the payments

**Agenda Item 7.2**

**Report to Town Council 18th May 2020**

**Bank Account Balances**

Bank account balances at 1st May 2020

Community Direct Plus Account 69,108-44

Business Select Account 10,625-68

Business Select Account (Restricted Reserves) 12,976-95

Members to note the information

**Agenda Item 8**

**Report to Town Council 18th May 2020**

**Notice of Motion**

The following notice of motion has been proposed by Cllr Huw Jackson:

“As a result of the cancellation of the Flower Festival and the Big Cheese funds have become available which I feel could be used to help alleviate some of the problems created by the current crisis.

I propose that the Town Council make donations of £750 each to two organisations working to address the serious difficulties faced by individuals and families within the Caerphilly Town area as a result of the coronavirus pandemic.

Namely:

Caerphilly Foodbank to help with the supply and distribution of much needed food

Llamau to help tackle issues experienced by the homeless”