

INFORMATION REQUIRED FOR INTERMEDIATE REVIEW 2016/17

Ledbury Town Council

HRF071

Ledbury Town Council in 2016/17 either:

- has income and/or expenditure over £200,000;
- or has been selected as part of the 5% sample in 2016/17.

We are therefore required to carry out an **intermediate review**.

We are required to test one or more of the smaller authority's responses to the assertions at Section 1 of the Annual Return - The Annual Governance Statement.

In addition to the information listed at 3.1 of the "**What to do Now booklet**" enclosed in this pack, please provide the following additional information we require to enable us to complete our intermediate review:

To support the smaller authority's response to assertion 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 the smaller authority to conduct

- a) Copies of Standing Orders, Financial Regulations and Code of Conduct;
- b) Minutes of meeting at which Standing Orders and Financial Regulations were last adopted or reviewed;
- c) Minutes of meeting at which the smaller authority adopted the Code of Conduct;
- d) Evidence that the smaller authority has registered as an employer with HMRC and operates a PAYE system;
- e) If Standing Orders and Financial Regulations were not reviewed during the year to 31 March 2017, please provide details of when they were last reviewed by the smaller authority;
- f) Councils only - If the council is the sole managing trustee of any charities a copy of the relevant trust deed, a list of the council's duties as a trustee and details of how these responsibilities have been met during the year ended 31 March 2017;
- g) Details of s137 expenditure in the year (if any), amounts and payees;
- h) An example of a set of minutes demonstrating that s137 expenditure decisions are properly minuted;
- i) Number of electors;

j) Detailed breakdown of members fees / expenses for the year ended 31 March 2017.

To support the smaller authority's response to assertion 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 the smaller authority and, where appropriate have included them in the accounting statements."

- a) A breakdown of reserves - if applicable, ie general, restricted and earmarked;
- b) Details of any claims made against the smaller authority or events happening during the year which could lead to claims;
- c) If the smaller authority has any borrowings - details of what the borrowings have been used for;
- d) If the smaller authority has taken out any new borrowings during the year that are not from the PWLB a copy of the approval obtained from the Secretary of State.

PLEASE NOTE THE FOLLOWING

- Do not provide additional information that we have not requested. If we require further information we will ask for it during the course of our review.
- Do not send us original documentation. Copies are sufficient.
- If a document is requested more than once in the list above , you need only supply one copy.

Intermediate assertions – Information required for your intermediate review 2016/17 **COMPLETE GREEN BOXES**

Please return this completed form with the additional information requested as below

Assertion 3: Compliance with laws, regulations and proper practices

We took all reasonable steps to assure ourselves that there are no matters of actual or potential noncompliance with laws, regulations and proper practices that could have a significant financial effect on the ability of this smaller authority to conduct its business or on its finances.

To warrant a positive response	Information required	Provided and clearly annotated Y/N	Authority reference	Further comments (eg why not provided)
<p>Acting within its powers</p> <p>All authorities' actions are controlled by statute. Therefore, appropriate decision making processes need to be in place to ensure that all activities undertaken fall within an authority's powers to act. In particular authorities need to have robust procedures in place to prevent any decisions or payments being made that are <i>ultra vires</i>, i.e. that the authority does not have the lawful power to make. The exercise of legal powers needs always to be carried out reasonably. For that reason, authorities making decisions need always to understand the power(s) they are exercising in the context of their decision making.</p>	<p>Information required</p> <ul style="list-style-type: none"> Copies of minutes for a selected period showing expenditure and income powers have been properly identified. 	<p>Y</p>		

Intermediate assertions – Information required for your intermediate review 2016/17

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To warrant a positive response	Information required	Provided and clearly annotated Y/N	Authority reference	Further comments (eg why not provided)
<p>Bank reconciliation Statements reconciling each of the authority's bank accounts with its accounting records need to be prepared on a regular basis, including at the financial year-end, and reviewed by members of the authority.</p>	<ul style="list-style-type: none"> Copies of bank reconciliations completed by the clerk/RFO during the year (we already have the one at 31 March 2017) Evidence of review and approval by RFO/Chair/other member and consideration by Authority Copies of all the bank statements covering all bank accounts from 01 April 2016 to 31 March 2017. 			
<p>Investments Arrangements need to be in place to ensure that the authority's funds are managed properly and that any amounts surplus to requirements are invested appropriately, in accordance with an approved strategy which needs to have regard to DCLG's statutory Guidance on local government investments.</p>	<p>If total investments are to exceed £500,000 at any time during a financial year:</p> <ul style="list-style-type: none"> copy of the approved annual Investment Strategy minutes of approval. 			
<p>Statement of accounts The authority needs to ensure that arrangements are in place to enable preparation of an accurate and timely statement of accounts in compliance with its statutory obligations and proper practices.</p>	<ul style="list-style-type: none"> Evidence that members have considered 'proper practices' in the Practitioners' Guide and the Accounts and Audit Regulations (or summarised requirements). 			

Intermediate assertions – Information required for your intermediate review 2016/17

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Assertion 8: Significant events

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 smaller authority and, where appropriate have included them in the accounting statements

To warrant a positive response	Information required	Provided and clearly annotated Y/N	Authority reference	Further comments (eg why not provided)
<p>Significant events The authority needs to have considered if any events that occurred during the financial year (or after the year-end), have consequences, or potential consequences, on the authority's finances. If any such events are identified, the authority then needs to determine whether the financial consequences need to be reflected in the statement of accounts</p>	<ul style="list-style-type: none"> • Copy of the budget consideration of what is adequate but not excessive reserves • Details of any claims against the smaller authority and confirmation that any uninsured portion has been taken into account in budget setting • Details of any significant events after the year end that would impact the financial statements, eg damage to or theft of a significant asset • Evidence that the authority borrows money only for financing capital schemes and obtains borrowing approval • Minutes of meetings after year end. 			