

# MOLD TOWN COUNCIL

Minutes of the meeting of Policy and Audit Committee held by Video-Conferencing on Monday 14<sup>th</sup> June 2021.

## PRESENT:

Councillors: Haydn Bateman (Chair), Sarah Taylor (Mayor), Bryan Grew, Haydn Jones (Deputy Mayor), and Anthony Parry  
Officer: Town Clerk and Finance Officer.

Apologies: None

## 1. DECLARATION OF INTERESTS

There were no declarations of interest.

## 2. MINUTES

**RESOLVED:** That the Minutes of the meeting of the Policy & Audit Committee held on 17<sup>th</sup> March 2021 be received and approved as a correct record.

## 3. ANNUAL RETURN AND INTERNAL AUDIT 2019/20

The Committee considered the previously circulated report detailing the arrangements for the external audit of the Town Council's accounts for the year ended 31st March 2021 and covering:

- The Report of the Internal Auditor
- The Annual Return
- The Governance Statement - Additional Questions to test Assertions.

Members noted the requirement for every local council to have its accounts audited each year. It was also noted that Mold Town Council was required to have its accounts, procedures and system of internal controls checked by an internal auditor and this work had to be undertaken by a person independent of the Council. The check by the previously appointed internal auditor, JDH Business Services Ltd, would then be fed into an Annual Return which included the Governance Statement and assurances and then onto the external audit which was now undertaken by (now renamed) 'Audit Wales'. Previously the external audit was carried out by an auditor appointed by the Welsh Audit Office - for Mold Town Council, last year, the appointed auditor was BDO LLP of Southampton. Audit Wales will themselves now carry out all external audits for T&CCs and the many outstanding Audits for last year in Wales.

The Annual Return is supplemented by additional questions in the Annual Governance Statement to test the assertions. The complete set of papers, Annual Return and additional questions form the most of the information given to Audit Wales for the external audit. Other requirements include an explanation of variances on previous year's figures, reconciliation of banking statements, proof of the Town

Clerk's contract of employment, payslips and tax record for the Clerk/RFO for October 2020 and that an HMRC compliant payroll arrangement was in place by the employer.

The Committee considered in detail, the draft annual return, the comprehensive report of the internal auditor and the additional questions to test the assertions. The Committee noted that the internal auditor had made a few observations relating to reconciliation of the books at the Cemetery, amendments required in the final figures in the Annual Return in relation to the Totally Mold Voucher scheme which included TMV liabilities due to prize giving, redemptions, card fees, postage etc. the other matter raised was the previous purchase of a new tractor at the cemetery.

The Town Clerk explained that the burial fees reconciliation was being addressed by the Cemetery Superintendent and the amended figures, as suggested by the Internal Auditor had been inserted within the document. He further explained that the value in the Asset Register had not been increased as a result of the purchased tractor as it had been a part exchange transaction and the replacement value in insurance terms had not changed.

The previously reported Interim Audit had mentioned the use of the debit card for a transaction above £500 for an HLF funded item at Bailey Hill Centre and some payments to HMRC which was above the limit for approval other than by a resolution of the Council. As contained within Financial Regulations. Members felt that this limit should be raised to £1,000 and the Committee should recommend to Council that this should be approved.

The Town Clerk and Finance Officer reported that he had amended and recoded accounts under the heading Totally Mold Vouchers as directed and taken appropriate action with the other points raised within the report.

The Committee, having considered the report and the documentation, agreed to recommend their approval to the Council at its meeting on 30<sup>th</sup> June to allow the external audit to proceed and the Annual Return to be signed by the Mayor and the Responsible Financial Officer.

**RESOLVED:** That:

- a) The report of the Internal Auditor be received, noted and endorsed;
- b) The Town Council, at its meeting to be held on 30<sup>th</sup> June 2020, be recommended to approve the submitted draft Annual Return and the Governance Statement - Additional Questions to test Assertions;
- c) The observations of the Internal Auditor be received and approved; and
- d) Financial Regulation No. 618 be amended to raise the limit of expenditure allowed without Council approval to £1,000.00:-

'Any Debit Card issued for use will be specifically restricted to the Clerk [and the RFO] and will also be restricted to a single transaction maximum value of

[£500] unless authorised by Council or finance committee in writing before any order is placed.'

#### **4. APPOINTMENT OF INTERNAL AUDITOR**

The Town Clerk advised that the service provided by JDH Business Services had been which had been very thorough and efficient and the Council had decided to appoint the firm for three years during 2019. The Committee considered the need to review the internal auditor services yearly as suggested in Audit Wales guidelines however, it was suggested that the current internal auditor was good and cost effective.

The Town Clerk advised that in accordance with Audit Wales 'good practice' there were terms of reference agreed between the Town Council and the internal auditor.

**RESOLVED:** That the current appointment of JDH Business Services continue for 2021/22.

#### **5. APPOINTMENT OF COMMITTEE CHAIRS**

The Committee considered the recommendation of the Annual Council meeting held on 12<sup>th</sup> May 2021 as follows: -

'As a future aspiration it was considered advisable that the Council should debate rotating Chairs in order that all Members would have the opportunity to gain experience to chair a committee and accordingly if they were elected Mayor in future they would have Chairing experience together with any related external training. '

Members felt that in order to give experience of future Chairs it would be a good idea to allow any Members who had never previously Chaired meetings to have the opportunity to do so and this should be supplemented by some type of training.

It was generally agreed that Annual Council should appoint individual Members to Committees but should not be the vehicle to appoint the Chairs at that stage and that this should be done at the first meeting of each Committee for the ensuing year.

Should the Council agree to delegate the appointment of Chairs to the individual Committees, it would require a change to the Standing Orders to do so.

**RESOLVED:** That Council be recommended to:-

- (i) approve the delegation of the appointment of Chairs to the individual Committees with effect from 1 May 2022; and
- (ii) amend Standing Order No. 4d (vi) and (vii) as follows to reflect this decision:-

~~shall, after it has appointed the members of a standing committee; appoint the chairman of the standing committee;~~

shall permit all committees ~~other than a standing committee~~, to appoint their own chairs ~~man~~ at the first meeting of the committee;

**SUMMARY OF DECLARATIONS MADE BY MEMBERS  
IN ACCORDANCE WITH MOLD TOWN COUNCIL'S  
CODE OF CONDUCT**

<b>POLICY &amp; AUDIT COMMITTEE</b>	<b>DATE: 14/06/2021</b>
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<b>MEMBER</b>	<b>ITEM</b>	<b>MINUTE NO. REFERS</b>
None		

WORD/MINUTES/COMMITTEE/AUDITSUBCTEE

Chairman's signature: ..... Date: .....