

MOLD TOWN COUNCIL

Minutes of the meeting of Policy and Audit Committee held by Video-Conferencing on Wednesday 17th March 20210.

PRESENT:

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

Apologies: None

7. DECLARATION OF INTERESTS

There were no declarations of interest.

8. MINUTES

RESOLVED: That the Minutes of the meeting of the Policy & Audit Committee held on 13th July 2019 be received and approved as a correct record.

9. FUTURE AUDIT ARRANGEMENTS FOR TOWN AND COMMUNITY COUNCILS IN WALES

The Committee considered the Audit Wales Summary Report setting out the new audit arrangements Town and Community Councils that would apply from 2020/21 and in future years.

The Committee considered the previously circulated report detailing the arrangements for the external audit of the Town Council's accounts for the forthcoming three years and the new regime throughout Wales for Town and Community Councils. Wales Audit would now be the external auditor following several years of BDO carrying out this function.

Wales Audit had carried out a consultation exercise on the external audit process designed to improve accountability, performance and better practice by Town and Community Councils as many were failing to meet minimum standards expected of them. More detailed audits of individual Town and Community Councils had revealed serious flaws and issues in respect of governance, inaccurate or incomplete accounts, poor financial management and control as well as issues around PAYE, proper internal control, poor budget setting and various other failings, sometimes leading to poor decision making and unlawful expenditure.

Following the consultation, it had been decided by Welsh Audit that a new regime of testing would be undertaken for Town and Community Councils which would be a rolling cyclical three year programme where all Town and Community Councils would have one year where an element of transaction-based audit and the other two years would involve the familiar external audit. The transaction based audit would be a thorough examination of processes from start to finish, tracing transactions from

start to finish, sourcing records, examine accounts and their accuracy which would eventually provide a significantly higher level of financial assurance.

It was noted that Mold TC would have the full in-depth audit for the year ending 2021-22 and Members commented on the complexities of the audit and the amount of scrutiny given to both internal audit by JDH Business Services and the new external audit regime.

RESOLVED: That report be received and the new regime of Audit Arrangements for Town and Community Councils in Wales be noted.

10. LOCAL GOVERNMENT AND ELECTIONS (WALES) ACT 2021 – COMMENCEMENT, IMPLEMENTATION AND GUIDANCE

The Committee considered the implications of The Local Government and Elections (Wales) Act 2021 (Commencement No. 1 and Saving Provision) Order 2021 and The Local Government and Elections (Wales) Act 2021 (Commencement No. 2 and Saving Provisions) Order 2021 a summary document was attached for guidance.

The Town Clerk provided Members with a summary of the main provisions of the Act as follows: -

On 20 January 2021, the Local Government and Elections (Wales) Act 2021 received Royal Assent. Provisions within the Act are of interest to Town and Community Councils were the following points: -

- From April 2022 Town and Community Councils will have a duty to prepare and publish an annual report about the council's priorities, activities and achievements.
- From 5 May 2022 Town and Community Councils will have the power to pass a resolution to become eligible to exercise General Powers of Competence. Welsh Government will consult on eligibility prior to introduction.
- From 5 May 2022, Town and Community Councils will have a duty to consider training from 5 May 2022 for Councillors and Town and Community Councils' staff and publish the first training plans by November 2022.
- The power of well-being is due to be repealed once the general power of competence comes into force on 5 May 2022. Activity started using the well-being power before 5 May 2022 can continue until it finishes, but no new activities can be started using this power from 5 May 2022.
- From May 2022, people presiding over Town and Community Councils meetings that are open to the public must give members of the public in attendance reasonable opportunity to make representation about any business being discussed at the meeting unless this is likely to prejudice the effective conduct of the meeting.

Many of the provisions relate only to principal councils, governance and performance matters and the provision of electoral regulations. There were however other implications for Town and Community Councils including remote meetings, public attendance, publication of documents electronically. Further detailed guidance would be released and the Town Council will have time to adjust and will be in a position to comply with all of the proposals.

RESOLVED: That

- (i) the report be received and noted; and
- (ii) Council be asked to note the existence of these new regulations.

11. INTERNAL AUDIT

The Town Clerk and Finance Officer reported that the Interim Internal Audit for 2020/21 was currently taking place, carried out by JDH Business Services Ltd. The full audit would take place following the completion of the annual accounts and year-end closedown.

RESOLVED: That the report be received and noted.

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

POLICY & AUDIT COMMITTEE	DATE: 17/03/2021
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MEMBER	ITEM	MINUTE NO. REFERS
None		

WORD/MINUTES/COMMITTEE/AUDITSUBCTEE

Chairman's signature: Date: