



Congleton Town Council

Historic market town

Town Clerk: **BRIAN HOGAN**



To: **MEMBERS OF THE FINANCE & POLICY COMMITTEE**

12th October, 2012

Dear Councillor,

Finance and Policy Committee Meeting – Thursday 18th October 2012

You are requested to attend a meeting of the Finance and Policy Committee to be held in the Town Hall, High Street, Congleton on – **Thursday 18th October 2012** commencing at **7.45pm**

The Public and Press are welcome to attend the meeting. There may be confidential items towards the end of the meeting which the law requires the Council to make a resolution to exclude the public and press.

Please note that there will be a meeting of the Planning Committee on the same evening commencing at 7.00 pm

Yours sincerely,

Brian Hogan
Town Clerk

AGENDA

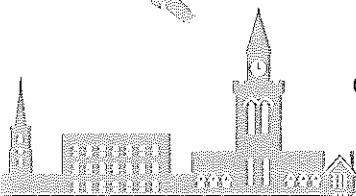
1. Apologies for absence (Members are respectfully reminded of the necessity to submit any apology for absence in advance and to give a reason for non attendance)
2. Minutes of Last Meeting (enclosed)
To approve the Minutes of the Meeting of the Committee held on 29th August 2012.
3. Declarations of Interest
Members are requested to declare both "pecuniary" and "non pecuniary" interests as early in the meeting as they become known.
4. Outstanding Actions
There are no outstanding actions.

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where friends are made

Congleton Town Council, Town Hall, High Street, Congleton, Cheshire CW12 1BN

Tel: 01260 270350 Fax: 01260 280357

Email: info@congletontowncouncil.co.uk www.congleton-tc.gov.uk



5. Grant Approvals and Commitments 2012/13 (enclosed)
To receive a statement showing the current position.
6. New Applications for Financial Assistance (enclosed)
 - i) **GR.17-12/13** Congleton Jazz & Blues Festival (retrospective application)
 - ii) **GR.18-12/13** St Peter's Church
 - iii) **GR.19-12/13** Congleton High School
7. New Grant Activities Monitoring Forms
 - i) **GR.7-12/13** Congleton Pentecostal Church
8. Management Accounts for April-Aug 2012 (enclosed)
To consider the Management Accounts to Aug 2012.
9. Rotary Bonfire Event
To consider a request from Congleton Rotary Club to underwrite any losses incurred as a consequence of the Club arranging the Bonfire Event for 2012.
10. Annual Audit (enclosed)
To receive and consider the External Auditors Certificate and Report.
11. Appointment of External Auditor and Fees (enclosed)
To receive confirmation of the appointed External Auditor for Congleton and the fees associated with this body.
12. Internal Audit Report (enclosed)
To receive and consider the report and recommendations from the Internal Auditor.
13. Grant and Funding Policy (enclosed)
To consider proposed changes to clauses 11 and 17 of the Grants and Funding Policy.
14. Community Projects
To receive an update from Jo Money and Bob Grayson on their plans for Community Projects for 2013-14.
15. Resolution to exclude the Public and Press
To consider passing a resolution in accordance with the Public Bodies (Admission to Meetings) Act 1960, that public and press be excluded from the meeting for the matters set out below on the grounds that they could involve the likely disclosure of private and Confidential information or staff matters.

16. Budget 2013-14

To review and consider the implications and needs of the 2013-14 budget

17. A.O.B.

To: Members of the Finance and Policy Committee (and other Members of the Council for information); Press (3), Burgesses (5)

6. NEW APPLICATIONS FOR FINANCIAL ASSISTANCE

FAP/16/1213 RESOLVED That:

- i) **Congleton Disabled Action Group**
The application for a grant was declined.
- ii) **Congleton Disabled Access Group**
The application for a grant was declined.
- iii) **Congleton Pentecostal Church**
That a grant of £250 be approved.
- iv) **Congleton Musical Theatre**
That a grant of £500 be approved.
- v) **Congleton Film Festival**
That a grant of £250 be approved.
- vi) **St John Ambulance Congleton Division**
That a grant of £250 be approved.
- vii) **Parkrun Congleton**
That a grant of £250 be approved.
- viii) **St James The Great Parish Church**
The application for this grant was declined.
- ix) **Congleton Town Council/Congleton Community Police**
The application for a grant was declined.
- x) **Congleton Team Parish**
That a grant of £236.40 be approved.
- xi) **St Peter's Church**
That a grant of £650 be approved.
- xii) **Congleton Players Amateur Theatre Club**
That a grant of £500 be approved.

7. LETTERS OF THANKS

It was noted that a letter of thanks had been received from the Dane Valley Amateur Swimming Club thanking the Town Council for the grant they received.

8. MANAGEMENT ACCOUNTS FOR APRIL - JULY 2012

FAP/17/1213 RESOLVED: That the Management Accounts for July be received.

9. ANNUAL CONGLETON HALF MARATHON

It was noted that Congleton Half Marathon Organising Committee had sent a copy of the charities they supported in 2011 as requested by the Town Council.

10. CONGLETON CIVIC REGALIA

a. The Committee considered a report on Civic Regalia

FAP/18/1213 RESOLVED: That

1. The Mayor's working chain be re-gilted.
2. A pendant for the chain to be purchased for use by the Deputy Mayor at a maximum cost of £600.

11. TOURIST INFORMATION CENTRE

A report on the changes to the working hours being introduced in the TIC and the impact this would have on acting as a reception for the Town Council was discussed.

FAP/19/1213 RESOLVED: That the additional hours to be worked by the TIC staff to provide reception support be funded by the Town Council at a cost of £1750.

12. SAFEGUARDING PUBLIC MONEY

Correspondence from NALC covering guidance for safeguarding public money was considered.

FAP/20/1213 RESOLVED: That the correspondence be received.

13. OUTDOOR DIGITAL DISPLAY

A report outlining the benefits of purchasing an Outdoor Display Unit to enable the council to communicate more effectively with the public was presented to the Committee.

FAP/21/1213 RESOLVED: That an Outdoor Display Unit be purchased at a cost of £15,000+.

14. RESOLUTION TO EXCLUDE THE PUBLIC AND PRESS

FAP/22/1213 RESOLVED: That in accordance with the Public Bodies (Admission to Meetings) Act 1960, that the public and the press be excluded from the meeting for the matters set out below on the grounds that it could involve likely disclosure of private and confidential information or staff matters.

15. RESERVES AND CASH DEPOSITS

A briefing note setting out the council's current position on reserves and cash deposits was discussed.

FAP/23/1213 RESOLVED: That the document on reserves and cash deposits be received.

16. A.O.B

There were no other matters raised.

J D Parry
Vice Chairman

Congleton Town Grant Commitments										
Date Grant Approved	To	For	Section	Minute Reference	EWR b/fwd	Budget	Approved 12/13	Paid £	Outstanding £	Date Paid
	Xmas lights	xmas lights	S144		2,220.00				2,220.00	
	St Peter's Church	Churchyard Maintenance	S215	FAP246/112	850.00				850.00	
	Xmas lights	xmas lights	S144		1,852.70				1,852.70	
	Carnival Committee	Carnival Committee	S144		3,750.00		0.00	3,552.00	198.00	
	Congleton Museum	Notional rent			4,500.00	4,500.00	4,500.00	4,500.00	0.00	
	Community Projects	Rent/Project support			16,000.00	16,000.00	16,000.00	16,000.00	0.00	
	Congleton Partnership	Rent			1,533.00	1,533.00	1,533.00	1,533.00	0.00	
	Citizens Advice Bureau	annual grant			15,000.00	15,000.00	15,000.00	15,000.00	0.00	16/04/2012
	Christmas Lights	Christmas Lights			9,000.00	9,000.00	9,000.00	9,000.00	0.00	
	Carnival Committee	Bi-annual Congleton Carnival	S144		3,750.00	3,750.00	3,750.00	3,418.00	332.00	
	Royal British Legion	Remembrance Day Parade		FAP/04/1213	650.00	650.00	650.00	650.00	0.00	10/07/2012
	St Peter's Church	Churchyard Maintenance	S215	FAP/16/1213	3,000.00	1,300.00	1,300.00	1,300.00	0.00	01/09/12
	St Peter's Church	Church clock maintenance	PCA1957 s2	FAP/16/1213	230.00	230.00	230.00	230.00	0.00	
Totals					8,672.70	53,663.00	51,969.40	45,303.00	15,339.10	
	Ear marked reserve b/fwd				£8,673					
	Budget 2012/13				£53,663					
	Total approved to date				£60,642					
	Total awaiting application				£1,694					



Congleton Town Council

Application for Financial Assistance



Part 1: Applicant(s) and Project Details

Application Reference Number (office use only)	GR 17-12/13	
1.1	Applicant(s):	LOUISE BENIN, JOE MANNING, VINCE CUTCLIFFE
1.2	Representing:	CONGLETON JAZZ + BLUES FESTIVAL
1.3	Email Address:	CONGLETONJAZZANDBLUES@GMAIL.COM
1.4	Tel No.	1
1.5	Project Title:	CONGLETON JAZZ + BLUES FESTIVAL
1.6	Project Objectives:	To provide jazz + blues music to the town in a community driven event.
1.7	Brief Project Description:	multi venue festival over two days, showcasing local talent. Accessible to all financial backgrounds.
1.8	Details accounts/budgets	ADVERTISING - £2500 BANDS - £900 PA - £175 MISC - £225.

Part 2: Cost Details / Resources / Timescale

2.1	Total Cost of Project:	£3,800
2.2	Total contribution sought:	£500
2.3	What will the money be spent on?	Advertising + marketing

2.4	Any ongoing costs:	n/a
2.5	Details of confirmed match funding include source Cash: In kind:	n/a
2.6	Resources needed:	n/a
2.7	Estimated timescale of project from start to finish:	Jan 2012 - Sept 2012 .

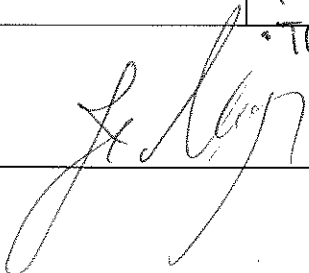
Part 3: Potential Benefits / Outputs

3.1	What are the potential benefits/outputs to residents of Congleton	<ul style="list-style-type: none"> A WEALTH OF NEW VISITORS INTO THE TOWN. INCREASED REVENUE OVER THE TOWN. EDUCATING CHILDREN & ADULTS ALIKE TO DIFFERENT GENRES & STYLES OF MUSIC.
3.2	Are there similar services/projects provided in the area	<ul style="list-style-type: none"> Nantwich Jazz & Blues. CONGLETON FOOD FESTIVAL

Part 4: Evaluation/Publicity

4.1	How will the project be evaluated and who will carry out the evaluation?	<ul style="list-style-type: none"> THE VENUES WHO PAID THE MONEY WANT TO BE INVOLVED AGAIN = SUCCESS PEOPLE OF THE TOWN OFFERED SHEETS TO GIVE FEEDBACK.
4.2	Describe how you will promote the Town Council in your project	<ul style="list-style-type: none"> ADVERTS IN THE 10,000 FLYERS, WHICH ARE DISTRIBUTED ALL OVER CHESHIRE. SHOW WHAT A GREAT TOWN CONGLETON IS TO ALL NEW VISITORS (2DAY EXHIBITION OF A TOWN & ITS COMMUNITY WORKING TOGETHER) TOWN COUNCIL THANKED ON WEBSITES.

Signature:



Date:

11/9/12 .



Congleton Town Council

Application for Financial Assistance



Part 1: Applicant(s) and Project Details

Application Reference Number (office use only)	CR. 18 1213
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1.1	Applicant(s):	Felicity Laurence (Church warden of St Peter's)
1.2	Representing:	St Peter's Church, Chapel Street, Congleton CW12 4AB
1.3	Email Address:	felicity@thelaurences.co.uk
1.4	Tel No.	01260 274239
1.5	Project Title:	St Peter's Churchyard
1.6	Project Objectives:	To continue to maintain St Peter's churchyard in a tidy state through this summer before Cheshire East Council takeover the future maintenance.
1.7	Brief Project Description:	Strimming the grass in the week 8 th October 2012 of the area marked green and yellow on the attached map. This is the final cut for 2012.
1.8	Details accounts/budgets	The audited account for St Peter's for the year 2011 that were presented at the ACCM in April 2012 are available if you wish to see them.

Part 2: Cost Details / Resources / Timescale

2.1	Total Cost of Project:	1 cut @ £650 carried out on 8th October 2012
2.2	Total contribution sought:	£ 650
2.3	What will the money be spent on?	The strimming and maintaining of the cleared grass area of the churchyard by a contractor, marked in green and yellow on the attached map, completed in the 2 nd week of October.

2.4	Any ongoing costs:	
2.5	Details of confirmed match funding include source <i>Cash:</i> <i>In kind:</i>	There is no income to the church for the maintenance of the churchyard. St Peter congregation is already maintaining a Grade 1 listed building from our own direct giving and fundraising. The area marked in orange on the plan has been maintained by church volunteers for at least the last 15 years. They also undertake general maintenance and hedge cutting.
2.6	Resources needed:	
2.7	Estimated timescale of project from start to finish:	1 cut completed in week beginning 8 th October .

Part 3: Benefits / Outputs

3.1	What are the potential benefits/outputs to residents of Congleton	# A pleasant green environment near the town centre. An untidy church yard reflects badly on the town to locals and visitors. # benefits the Congleton in Bloom project # Avoidance of annoyance and distress to relatives visiting the churchyard. # St Peter's is a heritage site and family historians both local and from further afield visit, seeking family graves. The Family History Society has been logging the graves and compiling a record on CD to assist this. # St Peter's makes its registers available to the town through our Tuesday @10 initiative and the Heritage Open Days and our Parish Office receives enquiries about registers and graves. # CEC has agreed to maintain the churchyard in the condition it receives it and we hope this will happen before next year.
3.2	Are there similar services/projects provided in the area	The town cemetery. Prior to the opening of the town cemetery, St Peter's acted as the town graveyard and the dates on the plan show it was extended several times to meet the needs of the town.

Part 4: Evaluation

4.1	How will the project be evaluated?	We will monitor the work of the contractor to ensure the work is being carried out in a satisfactory manner.
4.2	Who will carry out the evaluation?	Our volunteer team reporting to the Church Wardens.

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Signature: Felicity M Laurence

Date: 8th October 2012

GR 19 - 12/13

CONGLETON TOWN COUNCIL

APPLICATION FORM FOR FINANCIAL ASSISTANCE

1.	Name of organisation.	Jordan Harding Pointon Congleton High School.
2.	Name and address of responsible officer who should be contacted regarding this application.	Name K. Smith Address Congleton High School Box Lane Congleton T e
3.	Address where activities are based.	As above
4.	What area (community) is served? (This may be a community of place or interest)	Grant sought to pay for device to magnify music to allow partially sighted students to participate in local musical ensembles
5.	Are there any other similar facilities or services provided in the area/district?	No
6.	How does your organisation / activity benefit the residents of Congleton	See point 4.
7.	Present charges/ subscription/fees. Please attach schedule if available.	N/A
8.	Are there any proposals to change or introduce charges, subscriptions or fees? If so please advise effective dates.	N/A

9.	Details of the project facilities or service to be provided and how they will benefit the community. (Please feel free to attach additional information)	As point 4 Also see original letter.
10.	a) Proposed starting date of project or acquisition date of equipment. b) Estimated completion date.	As Jordan is currently in the 6th form at CHS, the equipment would be purchased immediately.
11.	Please give details of the cost of the project/ facility.	Total £2500
12.	Please give details of other grants awarded or applied for.	Congleton Town Trust £300 Enclosure Trust Young People's Trust £300 Centre Stage £300 Rotary £300
13.	Please give details of other funding, including that from your own reserves.	Congleton High School will make a donation
14.	Amount of grant requested from Congleton Town Council.	£300
15.	Included with the Application Form are the Council's objectives & priorities. Please state which this project will help deliver.	
16.	Please include copies of accounts/budgets and a business plan where appropriate.	
17.	Any other relevant information.	

Signed: *Katrina Pyper*

Capacity: TEACHER

Date: 26/9/12.



Town Council Grant

Activities Monitoring Form



GR 7-12/13.

1. Contact Details	
Organisation name:	Congleton Pentecostal Church
Address:	Cross Street, Congleton, Cheshire. CW12 1HQ

2. Grant Information			
Grant Reference Number:			
Total project cost:	£2,138.40		

Receipts Attached? Yes <input type="checkbox"/> No <input type="checkbox"/>	Receipt Amount:	£
Please list receipts below:		
Receipts already sent.		

3. Project Information		
When did the project commence?	14/9/12	
Did you make a profit from the project? Yes <input type="checkbox"/> No <input checked="" type="checkbox"/>		
If yes, how will this be used?		
Please explain how the grant money was used:		
To purchase chairs and tables.		

Please explain what difference the project has made to your organisation/local people:

The seating is used by 2 youth groups, 2 toddler groups and a fellowship meeting for the over 55's. The Church is a meeting place for all ages and is open 7 days a week, providing activities for particular sections of the community that need a place to meet.

The comfortable, modern seating helps create the right atmosphere for people to relax and make friendships and is greatly appreciated by all the groups that use the premises.

4. Promotion

Please send an electronic photograph of your project/activity. Is this attached? Yes No

Do you give permission for these photographs to be used on the Council's web site and in newsletters?
(Please ensure that you seek permission for anybody photographed). Yes No

Was the grant funding from Congleton Town Council acknowledged in any way? Yes No

Please state how (i.e. on your website, event programme, tickets, etc)

On web site- www.crossstreetchurch.co.uk

Also each group that uses the premises has been informed about the grant.

5. Feedback

What is your experience of using the Town Council Grant Scheme? Are there any comments or suggestions for improvements that you would like to make?

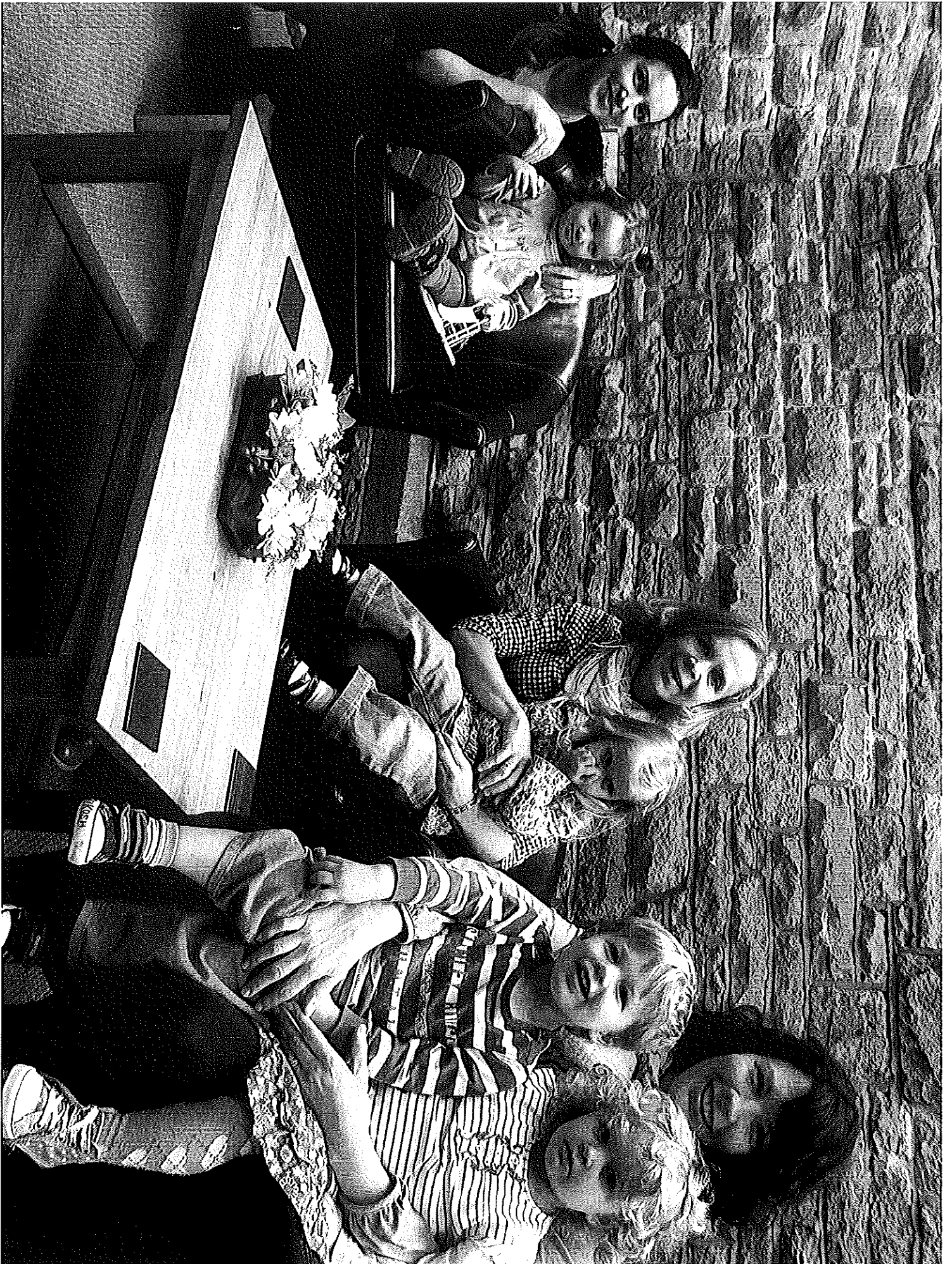
The scheme is well organised and efficient.

How did you apply? Online Email Post

Do you feel that you understood the process? Yes No

Please rate the following elements:

	Excellent	Good	OK	Poor
Completing the application form	*			
Relevance of guidelines	*			
Length of the process from submitting an application to receiving notification	*			
Advice given from the Town Council Grants Team (if applicable)	*			



Management Accounts September 2012

See attached Income and Expenditure sheet. These figures are for the half year so would be 50% of the annual budget if the expenditure was regular monthly. Significant variances are explained as follows:

Finance and Policy

Corporate Management

- Subscriptions and Publications include annual charges to SLCC and ChALC.
- Insurance is a full year cost.
- Other Advertising - includes adverts for casual vacancies.
- Audit Fees – External are accrued at the end of the year.
- Legal and Professional Fees includes a job evaluation consultant.
- Double taxation income has been received from Cheshire East which was not budgeted for.
- Interest receivable on the direct reserve account holding the council's reserves is greater than budgeted for.

Civic

- The Mayor and Deputy Mayor have received their annual allowance.
- The budget for Civic regalia is only small at £100 but past mayor's badges were purchased at a minimum quantity of 5 at a cost of £258 each. This has resulted in a large overspend on this budget.

Grants

- Out of the initial grants budget of £77,000 a considerable amount has already been allocated e.g. Citizens' Advice Bureau; CCP; Christmas Lights. £19,350 is currently available for new grant applications coming in throughout the year to 31/03/13.

Community, Environment and Services

- The paddling pool has now closed however some expenses have still to be incurred: some salary charges and electricity cost but is expected to be slightly under budget.
- The full year cost of the PCSOs has been paid.

Town Hall

- A detailed trading account is provided to the Town Hall committee – Expenditure was very slightly up and income was slightly under budget – the Grand Hall and De Lacey's café were closed during June to enable work to be carried out on the bar and kitchen and the Spencer Suite has not picked up as many external bookings as hoped for when the budget was set.

Personnel

- The overall budget includes increased staffing costs for potentially taking on devolved services in October 2012 which has not occurred. For the management accounts these figures have not been included.

Congleton Town Council - Management Accounts - Sept 2012

	Current Month Actual	Actual Year To Date	Current Annual Bud	Variance Annual Total	% of Budget	
Finance and Policy						
<u>101</u>	<u>Corporate Management</u>					
	Staff Costs (re-allocated)	8,992	51,009	118,606	67,597	43%
	Travel	128	601	1,200	599	50%
	Training / Conferences	0	1,121	2,600	1,479	43%
	Rent Payable	1,163	6,975	13,950	6,975	50%
	Miscellaneous Office Costs	75	150	270	120	56%
	Telephone/Fax/Internet	18	686	1,400	714	49%
	Postage	240	1,321	3,360	2,039	39%
	Stationery & Printing	82	665	1,800	1,135	37%
	Subscriptions & Publications	0	1,611	1,890	279	85%
	Insurance	0	3,584	3,800	216	94%
	Computer/IT Costs	247	1,433	3,045	1,612	47%
	Photocopy Charges	450	1,574	3,465	1,891	45%
	Recruitment Advertising	43	112	500	388	22%
	Other Advertising	0	146	200	54	73%
	Equipment Replacement\Tools	0	0	100	100	0%
	Bank Charges	4	12	200	188	6%
	Audit Fees - External	0	0	4,000	4,000	0%
	Audit Fees - Internal	400	400	1,200	800	33%
	Accountancy Support	209	638	3,675	3,037	17%
	Legal & Professional fees	213	2,888	1,500	-1,388	193%
	Central Overheads reallocated	-1,708	-13,928	0	13,928	0%
	Corporate Management:-Expenditure	10,556	60,998	166,761	105,763	37%
	CEC Double Taxation	0	-18,751	0	18,751	0%
	Interest Receivable	-9	-3,180	-3,000	180	106%
	Corporate Management :- Income	-9	-21,931	-3,000	18,931	731%
	Net Expenditure over Income	10,547	39,067	163,761	124,694	24%
<u>102</u>	<u>Democratic Rep'n & Mgmt/Civic</u>					
	Staff Costs (re-allocated)	1,702	9,822	21,569	11,747	46%
	Training / Conferences	30	390	3,000	2,610	13%
	Stationery & Printing	0	39	250	211	16%
	Marketing/Promotions	18	122	1,500	1,378	8%
	Council Newsletter	368	1,394	5,178	3,784	27%
	Council Website	1,115	1,540	2,000	460	77%
	Members Expenses	29	29	500	471	0%
	Mayor's Allowance	0	2,600	2,600	0	100%
	Deputy Mayor's Allowance	0	260	260	0	100%
	Civic Expenses	0	2,834	4,500	1,666	63%
	Civic Regalia	0	1,292	100	-1,192	1292%
	Hall & Room Hire	313	2,294	7,000	4,706	33%
	Civic Artefacts and Treasures	0	148	1,000	852	15%
	Central Overheads reallocated	202	1,649	0	-1,649	0%
	Democratic Rep'n & Mgmt/Civic:-Expenditure	3,777	24,413	49,457	25,044	49%
<u>107</u>	<u>Grants</u>		57,663	77,013	19,350	75%
	F&P Income - Expenditure Totals	14,324	121,143	290,231	169,088	42%
	<u>Community, Environment & Services</u>					
201	Paddling Pool	3,411	17,670	22,761	5,091	78%
211	Congleton Park	0	0	5,000	5,000	

215	Floral Displays	1,677	10,277	15,000	4,723	69%
241	Allotments	30	180	500	320	36%
251	Handyman service	2,704	18,601	60,761	42,160	31%
262	Street furniture	0	0	250	250	0%
264	Shopmobility	0	2,500	5,000	2,500	50%
280	Devolved Services	0	0	27,250	27,250	0%
301	Congleton Partnership	2,643	15,858	31,716	15,858	50%
302	Community Development	2,334	13,737	27,846	14,109	49%
303	Police Community Support Officers	0	47,200	47,200	0	100%
305	Christmas Fayre/lights	0	21	4,000	3,979	1%
321	Tourism	0	1,460	4,000	2,540	37%
341	Youth and Young People	183	707	2,000	1,293	35%
351	Fellowship House	-42	1,318	0	-1,318	0

12,940	129,529	253,284	123,755	51%
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Town Hall

221	Town Hall - Expenditure		77,792	151,714	73,922	51%
	Town Hall - Income		-43,213	-110,400	-67,187	39%

0	34,579	41,314	6,735	84%
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Total Net Expenditure

285,251	584,829	299,578	49%
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Personnel

401	Staff Costs - Reallocated	24,548	136,179	300,765	164,586	45%
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Reserves as at 30/09/12

General Reserve	161,021
Capital Vehicle Fund	20,000
Capital Contingency Fund	145,909
EMR Elections	10,000
EMR Crime Prevention/Traffic calming	3,779
EMR Ancient Treasures	3,000
EMR Training	3,000
EMR Devolved Services	30,000
EMR Loan Repayments	4,407
EMR Public Toilets	14,000
EMR Play Areas	6,000
EMR Public Realm	7,671
EMR Legal Fees	10,000

418,787

LOCAL COUNCILS IN ENGLAND

Congleton Town Council

ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2012

Mr B Hogan
Town Hall
High Street
Congleton
Cheshire
CW12 1BN



Audit Commission
2nd Floor
Aspinal Close
Middlebrook
Horwich
Bolton
BL6 6QQ

Dear Mr Hogan

14 August 2012

COMPLETION OF THE ANNUAL AUDIT

We have completed work on your 2011/12 audit and enclose your certified Annual Return for the financial year ending on 31 March 2012.

You now need to consider whether you need to take any action in response to our audit certificate and report.

External Auditor's Certificate and Report

Our external audit certificate and opinion is in Section 3 of the Annual Return. If there are any issues arising from the audit, they are included in the External Auditor's Report in Section 3.

The Council must consider any issues in our report and decide whether any action should be taken to ensure an unqualified opinion in future years.

Usually, the action required should be obvious. For further guidance, please refer to *Governance and Accountability for Local Councils A Practitioners' Guide (England) 2010* which is produced by NALC/SLCC.

The Accounts and Audit (England) Regulations 2011 (SI 2011 No 817)

You also need to comply with the Accounts and Audit (England) Regulations 2011 which sets out what you must do at the conclusion of the audit.

Regulation 13 (4) [Signing, approval and publication of accounting statements] and Regulation 16 [Notice of conclusion of audit] require you to:

- display a notice for a period of at least 14 days stating that the audit has been completed and that the Annual Return is available for inspection by local government electors;
- provide a statement of rights conferred on local government electors by section 14 of the Audit Commission Act 1998;
- provide details of how local government electors may exercise their rights to inspect the Annual Return; and
- publish or display your Annual Return.

The Annual Return fulfils the requirements of the Regulations where these refer to the income and expenditure account and the statement of balances.

What should you do?

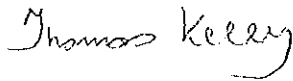
- Prepare the Notice of Conclusion of Audit and Right to Inspect the Annual Return (a pro forma notice is attached).
- Put the completed notice in a prominent place for at least 14 days. You may also display the certified Annual Return, if this is your chosen method of publication.
- Keep evidence that this has been done to support compliance with the exercise of electors' rights, which forms part of the Annual Governance Statement.

Other matters

Our invoice for the work carried out will be sent to you shortly. Please settle this promptly.

If you sent any surplus documents with your Annual Return, I am returning them with this letter.

Yours sincerely



Thomas Kelly
Audit Manager
Audit Commission

Limited Assurance Team – 0844 798 2435

Email: limitedauditregime@audit-commission.gov.uk

Congleton Town Council

NOTICE OF CONCLUSION OF AUDIT AND RIGHT TO INSPECT THE ANNUAL RETURN ANNUAL RETURN FOR THE YEAR ENDED 31 MARCH 2012

Section 14 of the Audit Commission Act 1998 The Accounts and Audit (England) Regulations 2011 (SI 2011/817)

1. The audit of the accounting statements for the Congleton Town Council for the year ended 31 March 2012 has been concluded.

2. The accounting statements are available for inspection by any local government elector for the area of the Congleton Town Council on application to:

(a) Insert name, position and address of person to whom local government electors should apply to inspect the annual return

(a) BRIAN HOEAN - TOWN CLERK

CONGLETON TOWN COUNCIL, TOWN HALL

HIGH STREET, CONGLETON, CW12 1BN

(b) Insert a reasonable sum for copying costs

3. Copies will be provided to any local government elector on payment of (b)

£ 0 for each copy of the annual return.

(c) Insert name and position of person placing the notice

(c) CHRIS JONES - FACILITIES MANAGER

(d) Insert date of placing of the notice

(d) 19th September 2012



Precepting Authority..... Cheshire East Council.....

Clerk Name..... BRIAN HOGAN.....

Clerk Phone Number..... 01260 270350.....

Clerk Email..... bhc.congletontowncouncil.co.uk.....

Chair Name..... SALLY HOLLAND.....

Chair Phone Number..... 01260 270350.....

Local Councils in England

Annual return for the

31 March 2012

Local councils in England with an annual turnover of £6.5 million or less must complete an annual return summarising their activities at the end of each financial year. In this annual return the term 'local council' includes a Parish Meeting, a Parish Council and a Town Council.

The annual return on pages two to five is made up of four sections:

- Sections 1 and 2 are completed by the person nominated by the local council.
- Section 3 is completed by the external auditor.
- Section 4 is completed by the local council's internal audit provider.

Each council must approve this annual return no later than 30 June 2012.

Completing your annual return

Guidance notes, including a completion checklist, are provided on page 6 and at relevant points in the annual return.

Complete all sections highlighted in green. Do **not** leave any green box blank. Incomplete or incorrect returns require additional external audit work and may incur additional costs.

The annual return, together with your bank reconciliation as at 31 March 2012, an explanation of any significant year on year variances in the accounting statements and any additional information requested, to your appointed external auditor by the due date.

Your auditor will identify and ask for any additional documents needed for audit. Therefore, unless requested, do **not** send any original financial records to the external auditor.

Audited and certified annual returns will be returned to the council for publication or public display of sections 1, 2 and 3. You must publish or display the audited annual return by 30 September 2012.

It should not be necessary for you to contact the external auditor or the Audit Commission directly for guidance.

More guidance on completing this annual return is available in the Practitioners' Guide for local councils that can be downloaded from www.nalc.gov.uk or from www.slcc.co.uk

Section 1 – Accounting statements for

CONGLETON TOWN COUNCIL

Readers should note that throughout this annual return references to a 'local council' or 'council' also relate to a parish meeting.

	Year ending		Notes and guidance		
	31 March 2011 £	31 March 2012 £			
1 Balances brought forward	644943	601050	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 (+) Annual precept	635908	635908	Total amount of precept received or receivable in the year.		
3 (+) Total other receipts	310110	170922	Total income or receipts as recorded in the cashbook less the precept received (line 2). Include any grants received here.		
4 (-) Staff costs	-260799	-267981	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 employment expenses.		
5 (-) Loan interest/capital repayments	-72827	-56321	Total expenditure or payments of capital and interest made during the year on the council's borrowings (if any).		
6 (-) All other payments	-656285	-429359	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	601050	654219	Total balances and reserves at the end of the year. Must equal (1+2+3) - (4+5+6)		
8 Total cash and short term investments	601743	689744	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 and long term assets	2604777	2611708	The recorded book value at 31 March of all fixed assets owned by the council and any other long term assets e.g. loans to third parties and any long term investments.		
10 Total borrowings	695541	657425	The outstanding capital balance as at 31 March of all loans from third parties (including PWLB).		
11 Trust funds (including charitable) disclosure note	YES	NO	YES	NO	Disclosure Note: The council acts as sole trustee for and is responsible for managing trust funds or assets. (Readers should note that the figures above do not include any trust transactions.)
		✓		✓	

I certify that for the year ended 31 March 2012 the accounting statements in this annual return present fairly the financial position of the council and its income and expenditure, or properly present receipts and payments, as the case may be.

Signed by Responsible Financial Officer



Date 31/05/2012

I confirm that these accounting statements were approved by the council on this date:

31/05/2012

and recorded as minute reference:

CTC/12/1213

Signed by Chair of the meeting approving these accounting statements.



Date 31/05/2012

Section 2 – Annual governance statement

We acknowledge as the members of:

CONGLETON TOWN COUNCIL

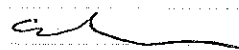
our responsibility for ensuring that there is a sound system of internal control, including the preparation of the accounting statements. We confirm, to the best of our knowledge and belief, with respect to the accounting statements for the year ended 31 March 2012, that:

	Agreed -		'Yes' means that the council:
	Yes	No	
1 We approved the accounting statements prepared in accordance with the requirements of the Accounts and Audit Regulations and proper practices.	YES		prepared its accounting statements in the way prescribed by law.
2 We maintained an adequate system of internal control, including measures designed to prevent and detect fraud and corruption and reviewed its effectiveness.	YES		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 codes of practice that could have a significant financial effect on the ability of the council to conduct its business or on its finances.	YES		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.
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.	YES		during the year has given all persons interested the opportunity to inspect and ask questions about the council's accounts.
5 We carried out an assessment of the risks facing the council and took appropriate steps to manage those risks, including the introduction of internal controls and/or external insurance cover where required.	YES		considered the financial and other risks it faces and has dealt with them properly.
6 We maintained throughout the year an adequate and effective system of internal audit of the council accounting records and control systems.	YES		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 the council.
7 We took appropriate action on all matters raised in reports from internal and external audit.	YES		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 the council and, where appropriate have included them in the accounting statements.	YES		disclosed everything it should have about its business activity during the year including events taking place after the year-end if relevant.
9 Trust funds (including charitable) – in our capacity as the sole managing trustee we discharged our responsibility in relation to the accountability for the fund(s)/assets, including financial reporting and, if required, independent examination or audit.	YES	NO	has met all of its responsibilities where it is a sole managing trustee of a local trust or trusts.
		N/A	


This annual governance statement is approved by the council and recorded as minute reference

CTC/12/1213
dated 31/05/2012

Signed by:

Chair 
dated 31/05/2012

Signed by:

Clerk 
dated 31/05/2012

***Note:** Please provide explanations to the external auditor on a separate sheet for each 'No' response. Describe how the council will address the weaknesses identified.

Section 3 – External auditor's certificate and opinion

Certificate

We certify that we have completed the audit of the annual return for the year ended 31 March 2012 of

CONGLETON TOWN COUNCIL

Respective responsibilities of the council and the auditor

The council is responsible for ensuring that its financial management is adequate and effective and that it has a sound system of internal control. The council prepares an annual return in accordance with proper practices which:

- summarises the accounting records for the year ended 31 March 2012; and
- confirms and provides assurance on those matters that are important to our audit responsibilities.

Our responsibility is to conduct an audit in accordance with guidance issued by the Audit Commission and, on the basis of our review of the annual return and supporting information, to report whether any matters that come to our attention give cause for concern that relevant legislation and regulatory requirements have not been met.

External auditor's report

~~(Except for the matters reported below)*~~ on the basis of our review, in our opinion the information 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. ~~(*delete as appropriate).~~

(continue on a separate sheet if required)

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

(continue on a separate sheet if required)

External auditor's signature

External auditor's name Date

Note: The auditor signing this page has been appointed by the Audit Commission and is reporting to you that they have carried out and completed all the work that is required of them by law. For further information please refer to the Audit Commission's publication entitled *Statement of Responsibilities of Auditors and of Audited Small Bodies*.

Section 4 – Annual internal audit report to

CONGLETON TOWN COUNCIL

The council's internal audit, acting independently and on the basis of an assessment of risk, carried out a selective assessment of compliance with relevant procedures and controls expected to be in operation during the financial year ended 31 March 2012.

Internal audit has been carried out in accordance with the council'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 the council.

Internal control objective	Agreed? Please choose from one of the following		
	Yes	No	Not covered*
A Appropriate books of account have been kept properly throughout the year.	YES		
B The council's financial regulations have been met, payments were supported by Invoices, all expenditure was approved and VAT was appropriately accounted for.	YES		
C The council assessed the significant risks to achieving its objectives and reviewed the adequacy of arrangements to manage these.	YES		
D The annual precept requirement resulted from an adequate budgetary process; progress against the budget was regularly monitored; and reserves were appropriate.	YES		
E Expected income was fully received, based on correct prices, properly recorded and promptly banked; and VAT was appropriately accounted for.	YES		
F Petty cash payments were properly supported by receipts, all petty cash expenditure was approved and VAT appropriately accounted for.	YES		
G Salaries to employees and allowances to members were paid in accordance with council approvals, and PAYE and NI requirements were properly applied.	YES		
H Asset and investments registers were complete and accurate and properly maintained.	YES		
I Periodic and year-end bank account reconciliations were properly carried out.	YES		
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, were supported by an adequate audit trail from underlying records, and where appropriate debtors and creditors were properly recorded.	YES		
K Trust funds (including charitable) The council met its responsibilities as a trustee.			NOT APPLICABLE

For any other risk areas identified by the council (list any other risk areas below or on separate sheets if needed) adequate controls existed:

Print name of person who carried out the internal audit A Morrison for Auditing Solutions Ltd

Signature of person who carried out the internal audit [Signature] Date 1/5/2012

***Note:** 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, internal audit must explain why not (add separate sheets if needed).

Guidance notes on completing the 2012 annual return

- 1 Proper practices for preparing this annual return are found in the *Practitioners' Guide**. This publication is updated from time to time and contains everything you should need to prepare successfully for your financial year-end and the subsequent audit. Both NALC and SLCC have helplines if you want to talk through any problem you encounter.
- 2 Make sure that your annual return is complete (i.e. no empty green boxes), and is properly signed and dated. Avoid making any amendments to the completed return. But, if this is unavoidable, make sure the amendments are drawn to the attention of and approved by the council, properly initialled and an explanation is provided to the auditor. Annual returns containing unapproved or unexplained amendments will be returned unaudited and may incur additional costs.
- 3 Use the checklist provided below. Use a second pair of eyes, perhaps a council member or the Chair, to review your annual return for completeness before sending it to the auditor.
- 4 Do not send the auditor any information not specifically asked for. Doing so is not helpful. However, you must advise the auditor of any change of Clerk, Responsible Finance Officer or Chair.
- 5 Make sure that the copy of the bank reconciliation which you send to your auditor with the annual return covers **all** your bank accounts. If your council holds any short-term investments, note their value on the bank reconciliation. The auditor must be able to agree your bank reconciliation to Box 8 on the Statement of Accounts. **You must provide an explanation for any difference between Box 7 and Box 8.** More help on bank reconciliation is available in the *Practitioners' Guide**.
- 6 **Explain fully** significant variances in the accounting statements on page 2. Do not just send in a copy of your detailed accounting records instead of this explanation. The auditor wants to know that **you** understand the reasons for all variances. Include complete analysis to support your explanation. There are a number of examples provided in the *Practitioners' Guide** to assist you.
- 7 If the auditor has to review unsolicited information, or receives an incomplete bank reconciliation, or you do not fully explain variances, this may incur additional costs for which the auditor will make a charge.
- 8 Make sure that your accounting statements add up and the balance carried forward from the previous year (Box 7 of 2011) equals the balance brought forward in the current year (Box 1 of 2012).
- 9 **Do not complete section 3.** The external auditor will complete it at the conclusion of the audit.

Completion checklist - 'No' answers mean you may not have met requirements		Done?
All sections	All green boxes have been completed?	YES
	All information requested by the external auditor has been sent with this annual return? Please refer to your notice of audit.	YES
Section 1	Council approval confirmed by signature of Chair of meeting approving accounting statements?	YES
	An explanation of significant variations from last year to this year is provided?	YES
	Bank reconciliation as at 31 March 2012 agreed to Box 8?	YES
	An explanation of any difference between Box 7 and Box 8 is provided?	YES
Sections 1 and 2	Trust funds – all disclosures made if council is a sole managing trustee? NB: Do not send trust accounting statements unless requested.	N/A.
Section 2	For any statement to which the response is 'no', an explanation is provided?	N/A
Section 4	All green boxes completed by internal audit and explanations provided?	YES

*Note: *Governance and Accountability for Local Councils in England – A Practitioners' Guide* is available from your local NALC and SLCC representatives or from www.nalc.gov.uk or www.slcc.co.uk

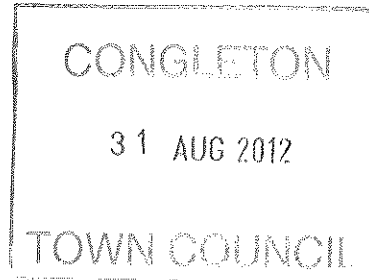


29 August 2012

Direct line 0844 798 2447
Email auditor-appointments@
audit-commission.gov.uk

Mr B Hogan
Congleton Town Council
Town Hall
High Street
Congleton
Cheshire
CW12 1BN

01/0002723/125



Dear Mr Hogan

Congleton Town Council - Appointment of external auditor from 2012/13

We recently wrote to consult you on the appointment of your external auditor from 2012/13.

This letter confirms the appointment of BDO LLP as external auditor to audit the annual return of Congleton Town Council for five years from 2012/13.

This appointment is made under section 3 of the Audit Commission Act 1998 and will commence on 1 September 2012.

Smaller relevant bodies, as defined by the Accounts and Audit (England) Regulations 2011, whose gross annual income or expenditure is less than £6.5 million, are audited under the Audit Commission's limited assurance approach. Appendix 1 provides further information on limited assurance audit and the scales of audit fees for 2012/13 to 2016/17.

The Commission will continue to monitor the performance of the firms providing limited assurance audit services to small bodies. Each year we assess the quality of the audit work the firms carry out and compliance with their statutory terms of appointment. This monitoring ensures that small bodies receive an efficient and effective external audit service at a cost proportionate to the public funds involved and their ability to pay.

I will pass your contact details to the appointed firm at the end of November. The firm will contact you about the arrangements for the audit of the 2012/13 annual return in due course.

Yours sincerely

Marcine Waterman
Director, Audit Policy and Regulation

DIRECTORY OF AUDITOR APPOINTMENTS TO SMALL BODIES
(ENGLAND) from 2012/13

County Area(s)	Appointed Auditor and contact details
Bedfordshire Cheshire Cleveland and Durham Cumbria Dorset Hampshire (+ IoW) Hertfordshire Lancashire Northamptonshire Northumberland Oxfordshire South Yorkshire Suffolk Surrey	<u>BDO</u> <i>Malcolm Thixton - Partner</i> Attention: Emma Prince – Senior Manager BDO LLP Arcadia House Maritime Walk Ocean Village SOUTHAMPTON SO15 0AP ☎ 023 8088 1912 Email: emma.prince@bdo.co.uk
Avon Cornwall Derbyshire Devon Gloucestershire Herefordshire Leicestershire Lincolnshire Nottinghamshire Somerset Staffordshire Warwickshire Wiltshire Worcestershire	<u>Grant Thornton</u> <i>Jon Roberts – Partner</i> Attention: Barrie Morris - Director Grant Thornton UK LLP Hartwell House 55-61 Victoria Street Harbourside BRISTOL BS1 6FT ☎ 0117 305 7600 Email: barrie.morris@uk.gt.com
Cambridgeshire East Sussex Essex Humberside (inc E Yorks and N Lincs) Kent London North Yorkshire West Sussex West Yorkshire	<u>Littlejohn</u> <i>Paul Hopper - Partner</i> Attention: Kerry Cutting – Senior Manager Littlejohn LLP 1 Westferry Circus Canary Wharf LONDON E14 4HD ☎ 020 7516 2200 Email: kcutting@littlejohnllp.com

County Area(s)	Appointed Auditor and contact details
Berkshire Buckinghamshire Norfolk Shropshire	<p data-bbox="619 304 1037 376"><u>Mazars</u> <i>Stephen Christopher - Partner</i></p> <p data-bbox="619 412 1173 622">Attention: Stephen Christopher - Partner Mazars LLP Regency House 3 Grosvenor Square SOUTHAMPTON SO15 2BE</p> <p data-bbox="619 658 1209 730">☎ 023 8023 2428 Email: Stephen.Christopher@mazars.co.uk</p>

Overview of the limited assurance audit approach and fees

Limited assurance audit

- 1 Small bodies are those with either annual income or annual expenditure below the financial threshold prescribed by the Accounts and Audit (England) Regulations 2011 (the Regulations) of not more than £6.5 million.
- 2 The accounts of small bodies are subject to a limited assurance audit. This approach minimises the audit requirement on, and cost to, small bodies. The auditor's report provides a level of assurance to the body, in line with the work done and proportionate to the small amounts of public money involved.
- 3 The basic audit approach is common to all small bodies. The body completes and submits to the auditor an annual return, including the annual governance statement, plus key financial data. The auditor carries out a standard review and a limited number of tests. These tests include checking the internal consistency of the figures in the accounts, the year-end bank reconciliation and any significant variances. The auditor issues an audit opinion and a certificate to close the audit.
- 4 Bodies with no income or expenditure must submit a 'nil return' to the auditor. Provided this is submitted correctly, there is no fee payable by the body.
- 5 For those bodies with gross income or expenditure over £200,000, auditors are required to carry out extra testing as part of their audit. This approach reflects the higher risk to public funds and is known as intermediate audit. Auditors also apply intermediate audit, at no extra cost, each year to a 5 per cent sample of bodies operating below the £200,000 threshold.
- 6 Auditors may need to carry out additional work, for example if the annual return is not completed properly, and the auditor needs to contact the small body, or where auditors consider an objection to the accounts from a local elector.
- 7 More information on the limited assurance audit approach is included in the relevant Practitioners' Guide¹.
- 8 All small bodies are subject to limited assurance audit unless they elect to prepare accounts as a larger relevant body under Regulation 12 of the Regulations.

Scales of audit fees

- 9 Scales of audit fees² for small bodies are based on bands of annual income or expenditure, whichever is the higher. This means the fees are proportionate to the public funds involved and the ability of the body to pay.

¹ Governance and Accountability for [local councils/internal drainage boards] – Practitioners' Guides (England) [2010/2008]: available from the National Association of Local Councils, the Society of Local Council Clerks or the Association of Drainage Authorities

² For more information on the scales of fees applicable to small bodies please see the Audit Commission's website (www.audit-commission.gov.uk)

Appendix 1

10 Table 1 below sets out the scales of audit fees for five years from 2012/13 to 2016/17.

Table 1: Scales of fees for bodies subject to limited assurance audit

Income/expenditure band (£)	Type of audit	Fee for limited assurance audit (£)
0 – 10,000	Basic	No fee payable
10,001 – 25,000	Basic	100
25,001 – 50,000	Basic	200
50,001 – 100,000	Basic	300
100,001 – 200,000	Basic	400
200,001 – 300,000	Intermediate	600
300,001 – 400,000	Intermediate	800
400,001 – 500,000	Intermediate	1,000
500,001 – 750,000	Intermediate	1,300
750,001 – 1,000,000	Intermediate	1,600
1,000,001 – 2,000,000	Intermediate	2,000
2,000,001 – 3,000,000	Intermediate	2,400
3,000,001 – 4,000,000	Intermediate	2,800
4,000,001 – 5,000,000	Intermediate	3,200
5,000,001 – 6,500,000	Intermediate	3,600

11 Extra fees may be charged for additional work (see paragraph 6). These extra fees are based on a schedule of maximum hourly rates, as set out in Table 2. Auditors will keep bodies informed about any extra fees.

Table 2: Maximum hourly rates for additional work at small bodies

Staff grade	Maximum £ per hour		
	Standard	SE England	London
Engagement lead	325	345	380
Senior manager/manager	180	195	210
Senior auditor	115	125	135
Other staff	85	95	105

12 The hourly rates in Table 2 are the maximum permitted. In practice, auditors often charge lower hourly, or composite, rates, particularly for minor matters such as correspondence where annual returns are not completed properly.

13 The fee scales exclude VAT which will be charged at the prevailing rate on all work done.

Congleton Town Council

Internal Audit Report 2012-13 (First Interim)

Prepared by Adrian Shepherd-Roberts

Stuart J Pollard

*Director
Auditing Solutions Ltd*

Background and Scope

The Accounts and Audit Arrangements introduced from 1st April 2001 require all Town and Parish Councils to implement an independent internal audit examination of their Accounts and accounting processes annually. The Council complied with the requirements in terms of independence from the Council decision making process by appointing Auditing Solutions Ltd to provide the function to the Council: this report sets out those areas examined during the course of our first interim visit to the Council, which took place on 30th August 2013.

Internal Audit Approach

In carrying out our review for 2012-13, we have again had regard to the materiality of transactions and their susceptibility to potential mis-recording or misrepresentation in the year-end Statement of Accounts and Annual Return. We have updated our analysis of income and expenditure to include data for 2011-12, considering any significant variances that may exist to prior year detail feeding such into our planning of the current year's work programme. Consequently, we have commenced our review of the Council's financial control systems and procedures for the year, undertaking appropriate testing, as deemed necessary, to afford suitable assurance as to the soundness of those systems for purpose and to ensure reasonable accuracy in the disclosure of information in the Council's detailed year-end Statement of Accounts, as summarised in the Annual Return that now forms the statutory accounts.

As the Council's Internal Auditor and under the revised audit arrangements, we have a duty to complete the internal audit certificate in the Council's Annual Return, which covers the basic financial systems and requires assurances in ten separate areas: this will be undertaken at our final visit for the year.

Overall Conclusion

We are pleased to conclude that, in the areas examined to date, the Council continues to have effective systems in place to ensure that transactions are free from material misstatement and that they will be reported accurately in the Annual Return and detailed Statement of Accounts for the financial year.

We are again pleased to acknowledge that Council members and officers continue to operate a sound, pro-active approach to risk management and corporate governance issues, together with the development and management of effective internal controls and procedural documentation. We have identified a few areas where we consider that the Council could usefully improve its existing controls: detail of these is set out in the body of the report with resultant recommendations further summarised in the appended Action Plan.

Detailed Report

Review of Accounting Arrangements & Bank Reconciliations

Our objective here is to ensure that the accounting records are being maintained accurately and currently and that no anomalous entries appear in cashbooks or financial ledgers. To that end, we have: -

- Ensured that the ledger remains in balance at the present date;
- Verified the opening trial balance for 2012-13 to the Statement of Accounts and Annual Return for 2011-12 to ensure that the closing balances have been brought forward accurately and completely;
- Checked and agreed transactions in the Council's main bank account cashbooks to the relevant RBS Bank statements for July 2012;
- Additionally, checked and agreed, also for July 2012, all inter account "sweep" transfers between the current and high interest bank accounts;
- We have examined and verified the accuracy of transactions in the Council's two mayoral charity bank account cashbooks for the year to date, and
- Verified the accuracy of the bank reconciliation for the combined current and deposit accounts and Mayoral Charity accounts as at 31st July 2012 to ensure that no long-standing uncleared cheques or other anomalous entries exist.

Conclusions

We are pleased to report that no issues have been identified in this area warranting further comment: we shall undertake further testing of at least one further month's transactions at future visits.

Review of Corporate Governance

Our objective is to ensure that the Council has robust corporate governance documentation in place, that Council and Committee meetings are conducted in accordance with the adopted Standing Orders and that no actions of a potentially unlawful nature have been or are being considered for implementation. We have noted previously that an updated Corporate Business Plan has been prepared and have examined the content accordingly.

We note the completion of a further review of Standing Orders, Financial Regulations and Codes of Conduct during 2011-12, the resultant documents being re-adopted in March 2012.

We have continued our review of the Full Council and Standing Committees to date in the current year, excluding those of the Planning Committee, to ensure that no actions of an ultra vires nature are being either considered or have been actioned, whilst also ensuring that the Council's finances remain at a healthy level to provide appropriate funds for future planned development and current revenue spending plans.

We note that various grants have been approved during the current year and, whilst the budget documentation may identify the powers relied on for payment approval, the minutes do not reaffirm that detail.

We also note that the value of work associated with the refurbishment / extension work to the bar and kitchen exceeded the £25,000 financial limit for formal tender action to be taken. Whilst this has been observed, no formal record of the tenders received, opened and their respective values has been prepared contrary to the Council's own regulatory framework in relation to the tendering process (clause 13.2 of the Council's "Standing Orders for Contracts" refers).

In examining the payments processed in the year to date, we noted the payment of an allowance to the Deputy Mayor and would remind members that the Council has no powers to make such a specific payment other than by way of the general members' allowances that may be claimed where approved by the Council.

Conclusions and recommendations

We have, as indicated above, identified a few areas where improved controls and compliance with statutory and local regulations is required. We shall continue our review of minutes and consideration of other governance issues at future visits.

- R1. In order that members may demonstrate consideration of the relevant powers to be relied on, the minutes should also identify those powers.*
- R2. The Council should ensure compliance with its own regulatory framework and ensure that a form Register of Tenders received and opened is maintained: ideally, a similar record should be maintained for any significant quotations in accordance with.*
- R3. The Council should ensure that it complies with national legislation and does not continue to make a separate allowance payment to the Deputy Mayor.*

Review of Expenditure

Our aim here is to ensure that: -

- Council resources are released in accordance with the Council's approved procedures and budgets;
- Payments are supported by appropriate documentation, either in the form of an original trade invoice or other appropriate form of document confirming the payment as due and/or an acknowledgement of receipt, where no other form of invoice is available;
- An official order has been raised in each and every case where one would be expected;
- All discounts due on goods and services supplied are identified and appropriate action taken to secure the discount;
- The correct expense codes have been applied to invoices when processed; and

- VAT has been appropriately identified and coded to the control account for periodic recovery.

We have commenced testing in this area identifying a test sample including all payments individually in excess of £2,000 plus every 25th payment processed in the year to date totalling £199,605 and equating to 78% of all non-pay related expenditure.

Conclusions

We are pleased to report that no issues have been identified in this area of our work at present: we shall extend our test sample for the remainder of the year at future visits.

Assessment and Management of Risk

Our aim here is to ensure that the Council has put in place appropriate arrangements to identify all potential areas of risk of both a financial and health and safety nature, whilst also ensuring that appropriate arrangements exist to monitor and manage any such risks identified in order to minimise the opportunity for their coming to fruition.

- We have noted previously that risk assessment registers were in place using the LCRS software and that they are subjected to routine annual review and update, detail being incorporated subsequently into the Council's Corporate Plan: we understand that an external agent has now been contracted to undertake assessments in relation to HR and Health / safety issues and that the LCRS assessments in relation to financial risk will be further reviewed internally during the course of the year; and
- Zurich Municipal continue to provide the Council's insurance cover: we have examined the current year's schedule (to May 2013/14) and again consider it meets the current needs of the Council with both Employer's and Public Liability cover set at £10 million and Fidelity Guarantee cover at £0.5 million.

Conclusions and recommendation

We note that Fidelity Insurance cover is below the recommended minimum level advised by the Audit Commission (i.e. 50% of the Annual Precept + the year-end balance in bank accounts). Where the Council considers the current level of cover appropriate, detail of members' deliberations should be minuted formally identifying the basis of their assessment of the required level of cover.

- R4. The Council should consider the level of Fidelity Insurance cover and formally minute their deliberations and conclusion identifying any basis for setting a level below the Audit Commission recommended level.*

Precept Determination and Budgetary Control

We aim in this area of our work to ensure that the Council has appropriate procedures in place to determine its future financial requirements leading to the adoption of an approved budget and formal determination of the amount to be precepted on the Unitary Authority, that effective arrangements are in place to monitor budgetary performance

throughout the financial year and that the Council has identified and retains appropriate reserve funds to meet future spending plans.

The Council will commence this process in the autumn: we shall therefore consider the action taken and outcome, together with the approved level of precept at our second interim visit.

We are pleased to note that members continue to receive regular budget monitoring reports with over/under-spends and the level of earmarked reserves the subject of regular review.

Conclusions

There are no matters requiring formal comment or recommendation in this area of our review process at present.

Review of Income

In considering the Council's income streams, we aim to ensure that robust systems are in place to ensure the identification of all income due to the Council from its various sources, to ensure that all income due to the Council is identified and invoiced in a timely manner and that effective procedures are in place to pursue recovery of any outstanding monies.

We have examined the controls in place over the identification and recovery of income due to the Council There from two main sources, namely allotment rental and Town Hall hire.

We note that the allotments are managed by an Allotments Association with fees collected annually by the Association and paid to the Council up on receipt of an appropriate invoice.

We have discussed detail of the procedures in place in relation to the hire of Town Hall facilities with the Finance officer, documenting the processes and applying appropriate tests to one week's hires in July 2012 to ensure that the hirers have signed the Council's Agreement Terms and Conditions of Hire, that an appropriate invoice has been raised for the correct fees and that income due has been received within a reasonable time frame. We are pleased to report that no issues arise in these areas.

We have examined the Sales Ledger outstanding debts schedule as at the current date reviewing the action being taken to pursue any long standing debts: we have noted a few receipts "unmatched" to sales invoices dating back a few years and consider that these should be written off as miscellaneous or specific (where the source is identifiable or known) income.

We have also reviewed the nominal ledger detailed transaction reports for income items for the year to date to ensure that no obvious coding errors or other anomalous entries are apparent and are pleased to record that none are in evidence.

Conclusions and recommendation

We are pleased to record that no issues have been identified in this area at present with appropriate action being taken to pursue any long-standing debts. We shall undertake further testing at future visits.

R5. *The Finance Officer should take appropriate action to "write-off" the few unmatched receipts to appropriate income codes, thereby removing the detail from the Sales ledger.*

Salaries and Wages

In examining the Council's payroll function, we aim to ensure that extant legislation is being appropriately observed as regards adherence to the Employee Rights Act 1998 and the requirements of HM Revenue and Customs (HMRC) as regards the deduction and payment over of income tax and NI contributions, together with meeting the requirements of the local government pension scheme, as regards employee contribution bandings as further amended with effect from 1st April 2012. To meet this objective, we have:

- Ensured that the Council has approved staff pay rates for the financial year, based upon the approved NJC rates: we also note the recent completion of a full review of staff grades and pay rates by an external contractor, the results being adopted by Council and being due for implementation with effect from 1st September 2012;
- Checked and agreed the computation of staff gross and net pay and salary deductions for August 2012, noting the continued use of a local, third party bureau service provider who utilises bespoke software for this purpose;
- Checked to ensure that appropriate tax codes and national insurance tables are being applied in the year and that the correct deductions / contributions have been applied and paid over to HMRC in a timely manner;
- Ensured that the new rates of deductions for the superannuation scheme have been applied, also ensuring that the deductions have been paid over to the County Council in a timely manner; and
- Examined time sheets and travel expenses supporting payments made through the August 2012 payroll to ensure that they have been approved for payment and processed appropriately.

Conclusions

We are pleased to record that no issues have been identified in this area. We shall revisit this area at our next visit to confirm the appropriate application of the revised pay scales to staff following the recent review by the external contractor.

Investments & Loans

Our objectives here are to ensure that the Council is "investing" surplus funds, be they held temporarily or on a longer term basis, in appropriate banking and investment

institutions, that an appropriate investment policy is in place, that the Council is obtaining the best rate of return on any such investments made, that interest earned is brought to account correctly and appropriately in the accounting records and that any loan repayments due to or payable by the Council are transacted in accordance with the appropriate loan agreements.

The Council holds no specific investments and, as previously noted, has replaced the use of Treasury term deposits with a straightforward reserve account at RBS given the current low rates of interest returns.

We have verified the first half-yearly loan repayment to PWLB by reference to their "invoice" advice as part of our expenditure testing referred to previously.

Conclusions

We are pleased to report that no issues have been identified in this area that warrant any further attention by officers or formal recommendation at present. We shall confirm the accuracy of total loan repayments during the year, together with the residual loan liability to be disclosed in the year-end Accounts and Annual Return at future visits.

Recommendation**Response****Review of Corporate Governance**

R1 In order that members may demonstrate consideration of the relevant powers to be relied on, the minutes should also identify those powers.

R2 The Council should ensure compliance with its own regulatory framework and ensure that a form Register of Tenders received and opened is maintained: ideally, a similar record should be maintained for any significant quotations in accordance with.

R3 The Council should ensure that it complies with national legislation and does not continue to make a separate allowance payment to the Deputy Mayor.

Assessment and Management of Risks

R4 The Council should consider the level of Fidelity Insurance cover and formally minute their deliberations and conclusion identifying any basis for setting a level below the Audit Commission recommended level.


Review of Income

R5 The Finance Officer should take appropriate action to "write-off" the few unmatched receipts to appropriate income codes, thereby removing the detail from the Sales ledger.

CONGLETON TOWN COUNCIL

GRANTS & FUNDING POLICY

1. An award of a grant must give direct benefit to all or some of the inhabitants of the Town, and the size of grant should be commensurate with the benefit delivered.
2. Grant forms will be scrutinized to ensure they meet the criteria set out in the Grants and Funding Policy, before being put forward for decision at the Finance and Policy Committee. Applications which do not meet the criteria will be rejected and returned.
3. The Town Council as a body does not affiliate to any political party and legally cannot provide grant or support to any party political activity.
4. The Town Council does not affiliate to any religious group; however applications will be considered where there is a clear community wide benefit.
5. Request for grant aid will only be considered from the following categories of applicant:
 - A Congleton Town – based charity
 - An organisation serving the needs of the citizens of Congleton
 - Citizens of Congleton requesting grant aid with a project/event, which will be for the benefit of a wider group in Congleton.
 - A Congleton based club/association/organisation serving specific section of the community or the community as a whole.
6. Applications will only be considered when made on a formal application form.
7. Applicants will need to demonstrate how their activities or the particular project for which financial support is being sought, will benefit the residents of Congleton Town.
8. The Council will give priority to the projects/organisations which progress one or more of its corporate objectives.
9. The Council will normally require details of the structure and funding of the organisation, and may request copies of budget/accounts and business plans.
10. The Council will require details of any project which is the subject of the application, including standards to be attained, costs, timescales and how the remainder of the funding will be provided.

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11. The Council will normally only fund the up to a maximum of 50% of a project cost and priority will be given to requests for grants of £250 or less. Any request above £250 will require a detailed justification of the project including matched funding as a prerequisite.
 12. Applicants will be required to state the amount of grant sought from the Council and provide details of other grants or awards applied for or gained, which must be disclosed in full.
 13. Where projects cross financial years, the Council may “ring fence” an approved amount of grant. It will reserve the right to withdraw approval where a project does not look likely to go ahead within a 12 month period from the grant approval date.
 14. Payment will not normally be made until a project has been completed. Payments will then only normally be made against a formal receipt or invoice. Stage payments may be approved for larger projects.
 15. The Council will usually only consider requests for specific projects, not on-going or core costs. The exceptions to this will be “pump-priming” to help organisations get established or organisations which deliver a substantial part of the Council’s priorities.
 16. The Council may, where it appears to be a more cost effective or efficient use of resources, prefer to act in partnership with another organisation, or provide support “in kind”, rather than provide grant assistance.
 17. An evaluation of the project must be provided once the project is complete to provide evidence that the benefits and outputs have been achieved. The evaluation form must be returned to the Council within 4 weeks of the completion of the project
 18. The Council will advertise its Grant and Financial Assistance Scheme widely to ensure an equitable distribution of resources.
 19. The applicant will specifically acknowledge the contribution made by the Council when arranging promotional activity or literature including press releases relating to the application.
 20. The applicant acknowledges and agrees that all decisions made by the Council for such a grant request are solely a matter for and at the discretion of the Council. The applicant will provide to the Council all such assistance as is reasonably necessary to enable the Council to comply with its requirements under the Freedom of Information Action.



Congleton
Town Council

Town Council Grant

Activities Monitoring Form



QUALITY
TOWN
COUNCIL

1. Contact Details	
Organisation name:	
Address:	

2. Grant Information			
Grant Reference Number:			
Total project cost:			

Receipts Attached? Yes <input type="checkbox"/> No <input type="checkbox"/>	Receipt Amount:	£
Please list receipts below:		

3. Project Information		
When did the project commence?		
Did you make a profit from the project? Yes <input type="checkbox"/> No <input type="checkbox"/>		
If yes, how will this be used?		
Please explain how the grant money was used:		

Please explain what difference the project has made to your organisation/local people:

4. Promotion

Please send an electronic photograph of your project/activity. Is this attached? Yes No

Do you give permission for these photographs to be used on the Council's web site and in newsletters?
(Please ensure that you seek permission for anybody photographed). Yes No

Was the grant funding from Congleton Town Council acknowledged in any way? Yes No

Please state how (i.e. on your website, event programme, tickets, etc)

On web site

5. Feedback

What is your experience of using the Town Council Grant Scheme? Are there any comments or suggestions for improvements that you would like to make?

How did you apply? Online Email Post

Do you feel that you understood the process? Yes No

Please rate the following elements:

	Excellent	Good	OK	Poor
Completing the application form				
Relevance of guidelines				
Length of the process from submitting an application to receiving notification				
Advice given from the Town Council Grants Team (if applicable)				