



**ISSUES ARISING REPORT FOR  
Towyn & Kinmel Bay Town Council  
Audit for the year ended 31 March 2018**

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The following issue(s) have been raised to assist the body. The body is recommended to take action on the following issue(s) to ensure that the body acts within its statutory and regulatory framework.

**Expenditure powers - S137 power incorrectly used**

*What is the issue?*

Payments were made to one or more of the following: a local social, sports or youth club(s) which could have been authorised under S19 of the Local Government (Miscellaneous Provisions) Act 1976, power to provide recreational facilities within and outside of the area.

Payments were made towards the cost of some or all of the following - flowers, bulbs, planters, garden maintenance which could have been authorised under S10 of the Open Spaces Act 1906, power to maintain open space.

*Why has this issue been raised?*

The council incorrectly recorded items as Section 137 payments when other statutory powers existed. A payment cannot be recorded under S137 if another statutory powers exists.

*What do we recommend you do?*

The council must ensure in future years that it reviews the list of statutory powers available to council to establish if a power exists before relying on S137 to authorise a payment. The statutory power being used to authorise expenditure should be recorded alongside the item to demonstrate the council has properly followed its standing orders and financial regulations.

Further guidance on this matter can be obtained from the following source(s):

Governance and Accountability in Local Councils in Wales - A Practitioners' Guide, OVW/SLCC  
One Voice Wales representative, One Voice Wales website - ([www.onevoicewales.org.uk](http://www.onevoicewales.org.uk))  
Audit Briefing, Spring 2010, BDO

**No other matters came to our attention.**

For and on behalf of  
BDO LLP

Date: 08 September 2018

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