

Towyn and Kinmel Bay Town Council

Part 1: The health check

Introduction and how to use

This health check is designed to be completed by the clerk, working with the chair or a small group of members as appropriate, to assess whether **fundamental** governance and financial management arrangements, policies etc are in place, highlight any action that needs to be taken, and report back to full council or a designated committee.

The health check is split into five key themes:

- [Vision, purpose and community planning](#)
- [Leadership and people](#)
- [Community engagement and partnerships](#)
- [Business processes](#)
- [Resources and financial management](#)

Each theme has a series of statements which require only a yes or no answer to indicate whether the council has that arrangement in place.

Where relevant, some further information has been included next to the statement. Click on any underlined text in the further information column to access additional resources.

Where a statement reflects a statutory obligation, the statement is shaded blue for ease of reference.

The final column in the health check should be used to note the assessment of the council's position in relation to the statement, along with details of any action required and how quickly the action would need to be implemented.

There is space at the end of each theme to summarise actions for that theme, and space at the end of the health check to [summarise the key actions to be taken as a result of Part 1 - The health check](#) in one place.

Theme A – Vision, purpose and community planning

A community and town council provides community leadership. In exercising this role it will benefit from having a clear vision for its community, developed in partnership / consultation with all sections of the community. This will inform council plans, budgets and activities to ensure the council best works with and in the interests of the community.

Statutory obligation

Theme A – Vision, purpose and community planning

Statement	In place? (Yes/No)	Further information	Comments and actions
The council has a clear vision and plan for its community			
A.1 A vision and purpose statement has been agreed by the council	Yes	Having a clear vision and purpose agreed by all members will help your council in achieving for its community.	Refer to Page 5 of the 2021 – 22 Annual TKBTC Report.
A.2 The council has prepared and published a biodiversity plan	Yes	Environment (Wales) Act 2016, Section 6 Councils have a duty to maintain and enhance biodiversity in the exercise of its functions, and must prepare and publish a plan setting out what it proposes to do and report on the actions taken to improve biodiversity and promote ecosystem resilience every three years. See Environment (Wales) Act 2016 Part 1: Guidance for Section 6 – the Biodiversity and	Refer to Environmental Report dated 27/01/2020.

Theme A – Vision, purpose and community planning

Statement	In place? (Yes/No)	Further information	Comments and actions
A.3 The council has completed an annual report on progress in meeting objectives contained in the local well-being plan	Yes	Resilience of Ecosystems Duty Frequently Asked Questions Well-being of Future Generations (Wales) Act 2015 – Section 40 places a duty on certain community and town councils to take all reasonable steps towards meeting the objectives included in the local well-being plan that has effect in their areas. A community or town council is subject to that duty only if its gross income or expenditure was at least £200,000 for each of the three financial years preceding the year in which the local well-being plan is published.	Refer to 2021 -22 Well-being Report
A.4 The council has prepared an annual report	Yes	Local Government and Elections (Wales) Act 2021 – Section 52 From April 2022 community and town councils have a duty to prepare and publish a report about the council's priorities, activities and achievements. Statutory guidance has been issued on the duty to prepare and publish an annual report.	Refer to 2021 -22 TKBTC Annual Report

Scheme A – Vision, purpose and community planning – Summary of actions

Summary of actions	By who	By when
No required actions identified.	n/a	n/a

Theme B – Leadership and people

The council should respect the values of openness and transparency and adhere to, and model, the behaviours and standards set for all councillors as contained in the code of conduct. In leading its community, the council should be committed to enhancing its capability and capacity as is commensurate with its range and scale of operations.

Employees are the principal asset of any council and it is important that they are given the trust and respect to perform their roles to their maximum ability within a safe working environment. Training and development of employees is vitally important as well as having appropriate systems in place to provide adequate reward, recognition and accountability within a framework of effective employment policies.

Statutory obligation

Theme B – Leadership and people

Statement	In place (Yes/No)	Further information	Comments and actions
The council provides leadership to its members and staff			
B.1 The council has adopted a code of conduct	Yes (Two)	The Code of Conduct for members of local authorities in Wales: Guidance from the Public Services Ombudsman for Wales	1 x Councillors and 1 x Employees
		The council should formally record in minutes that they have adopted a code of conduct based on the model code of conduct.	
B.2 All councillors have signed a formal declaration of acceptance of office	Yes	A formal declaration of acceptance of office must be signed before an individual is able to act as a member of a community and town council.	Signed by members in May 2022 – (Following the most recent elections).

Theme B – Leadership and people

Statement	In place (Yes/No)	Further information	Comments and actions
B.3 All councillors have been provided with a copy of the council's adopted code of conduct	Yes		Copy provided to all Councillors at 2022 Annual Meeting (18/05/2022).
B.4 All councillors have a council email address or a separate email address for council business	Yes		All Councillors have an individual @TKBTC.co.uk email address
B.5 All councillors have received training on their role and training needs are regularly reviewed	On Going	One Voice Wales, Planning Aid Wales and principal councils provide a range of opportunities for training of members in relation to their roles. The council should develop a training plan and maintain a record of training received.	- All new Councillors are provided with a new Councillor file. - All Councillors are regularly invited to undertake OVW Councillor Training.
B.6 All payments to councillors are made in line with the levels set out by the Independent Remuneration Panel for Wales	Yes	The Independent Remuneration Panel for Wales Annual report and guidance on payments to elected members is available on its website.	- Refer to 2021 – 22 Allowances Records on TKBTC Website.
B.7 A statement of payments to councillors is published by 30 September each year	Yes	Community and town councils must publish a statement of payments detailing all payments made to elected members in the previous municipal year. Nil returns must also be	- Refer to 2021 – 22 Allowances Records on TKBTC Website.

Theme B – Leadership and people

Statement	In place (Yes/No)	Further information	Comments and actions
detailing payments made to elected members in the previous municipal year		reported. See Independent Remuneration Panel for Wales guidance.	
The council carries out its employment duties			
B.8 All employees have a written employment contract setting out the terms of their employment	Yes	See ACAS – What an employment contract is One Voice Wales and SLCC have model contracts of employment for clerks which are available to members.	- Refer to employee files.
B.9 All employees have an up-to-date job description	Yes	One Voice Wales and SLCC can provide guidance to member councils in relation to the preparation of a job description and person specification.	- Refer to employee files.
B.10 Any changes to terms and conditions, including salary increments, are recorded and approved by the council	Yes	Councils must ensure that all changes to terms and conditions are properly approved and recorded.	- Refer to employee files.
B.11 All staff have been given a copy of the employee code of conduct	Yes	The Code of Conduct (Qualifying Local Government Employees) (Wales) Order 2001	- Implemented as part of Clerks CILCA Training/Qualification.

Theme B – Leadership and people

Statement	In place (Yes/No)	Further information	Comments and actions
B.12 The council has core employment policies in place, for example:-	Yes	One Voice Wales and SLCC can provide member councils with a suite of policies and procedures.	- Implemented as part of Clerks CILCA Training/Qualification
• Adoption and Paternity Policy • Alcohol, Drugs and Substance Misuse Policy • Annual Leave Policy • Appraisal Scheme • Bullying and Harassment • Capability Policy • Code of Conduct for Employees • Dignity at Work Policy • Discipline and Grievance Policy and Procedure • Equality and Diversity Policy • Health and Safety at Work Policy		The ACAS website also contains a range of model policies and procedures	- All Covered in Employee Handbook Policies and Procedures.

Theme B – Leadership and people

Statement	In place (Yes/No)	Further information	Comments and actions
• Maternity Leave Policy • Member / Officer Relations Protocol • Recruitment Procedure • Shared Parental Leave Policy • Attendance Management Policy • Stress Management Policy • Time off in Lieu Policy • Training Policy • Whistleblowing Policy			-

B.13 The council is registered as an employer with HMRC

Yes

All councils must operate PAYE unless no staff:-

- earn above the lower national insurance threshold; **and**
- have any other source of income.

Theme B – Leadership and people

Statement	In place (Yes/No)	Further information	Comments and actions
		In practice, this means that very few clerks, even of small councils, will fail to be exempt from PAYE. Other sources of income include income from pensions as well as other employments. See GOV.UK PAYE and payroll for employers	
B.14 All overtime payments are paid through the normal payroll process and subject to PAYE	Yes	All additions to salary must be subject to PAYE	
B.15 Any additional allowances paid to staff are subject to tax where appropriate	Yes	Fixed sum allowances for home working are limited by HMRC. Payments above this amount are taxable and should be taxed through PAYE or entered onto a P11D return. Mileage payments are also subject to tax when they exceed mileage allowances specified by HMRC – currently 45p per mile.	
B.16 The council complies with pensions legislation	Yes	See The Pensions Regulator website	- Gwynedd Pension Scheme
The council gives its staff the resources and support to carry out their role			

Theme B – Leadership and people

Statement	In place (Yes/No)	Further information	Comments and actions
B.17 All staff have received appropriate training for their role	Yes	The council must develop a training plan and maintain a record of training received.	
B.18 All staff have council email addresses and access to council IT systems	Yes	Council staff should not use personal email addresses for council communications, or save council documents to personal computers, for reasons of information security.	- @TKBTC.co.uk

Theme B – Leadership and people – Summary of actions

Summary of actions

By who

By when

- B5 - As per LGA 2021 TKBTC Training Plan for Cllrs and Employees need to be published by 5/11/2022.

- Clerk

- 05/11/2022

Theme C – Community engagement and partnerships

Community and town councils play an active role in engaging, involving and consulting with their communities. An effective council understands its community's (people and places) needs and desires, and knows the positive difference it is making. Councils should aim to ensure that no one feels disadvantaged, and that all groups within the community are engaged.

A partnership is an agreement to do something together that will benefit all involved, bringing results that could not be achieved by a single partner operating alone and reducing duplication of efforts. Partnership working allows services to be delivered in a joined-up way, such as through shared goals and/or sharing resources.

Statutory obligation

Theme C – Community engagement and partnerships

Statement	In place (Yes/No)	Further information	Comments and actions
The council engages with its community			
C.1 The council has an agreed community engagement strategy	Yes	A community engagement strategy sets out how the council will understand its community, involve the community in their work and communicate with their electors.	Refer to TKBTC Community Place Plan – Completed June/July 2022

Theme C – Community engagement and partnerships

Statement	In place (Yes/No)	Further information	Comments and actions
C.2 The community engagement strategy is reviewed periodically	Yes		- On-going – Will Review Periodically.
C.3 The council complies with the requirements of the Welsh Language (Wales) Measure 2011	Yes	The council is expected to treat the Welsh language reasonably and proportionately in its dealing with the public. A scheme endorsed by the Welsh Language Commissioner sets out the principle, context and use of the Welsh Language and how it is applied to council activities and in the workplace. Welsh Language (Wales) Measure 2011, Part 4 Chapter 1: Duty to comply with standards – Welsh Language Commissioner – The Welsh Language Measure :	
C.4 The council makes provision to translate documents when required	Yes		
The council communicates with its partners and community			

Theme C – Community engagement and partnerships

Statement	In place (Yes/No)	Further information	Comments and actions
C.5 The council has an electronic presence / website	Yes	A community or town council must make certain information available electronically as set out in the Local Government (Democracy) Wales Act 2013 section 55 and associated guidance .	
C.6 The council publishes electronically	Yes	See Welsh Government Statutory Guidance: Access to Information on Community and Town Councils	
a) Information on how to contact it and, if different, its clerk including— • a telephone number • a postal address • an email address		Schedule 4 of the Local Government and Elections (Wales) Act 2021 includes changes to the Local Government Act 1972 relating to community council notices e.g. giving notice of meetings and their arrangements and the issuing of a short note within 7 days of council meetings. These should be read in conjunction with section 55 of the Local Government (Democracy) (Wales) Act 2013, which requires community councils to make available electronically certain information and documents (including minutes of meetings).	
b) information about each of its members, including— • the member's name • how the member may be contacted			

Theme C – Community engagement and partnerships

Statement	In place (Yes/No)	Further information	Comments and actions
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- the member's party affiliation (if any)
 - the ward which the member represents (where relevant)
 - any office of the council held by the member
 - any committee of the council to which the member belongs
- c) the minutes of the proceedings of the council's meetings and (in so far as is reasonably practicable) any documents which are referred to in the minutes
- d) any audited statement of the council's accounts

Theme C – Community engagement and partnerships

Statement	In place (Yes/No)	Further information	Comments and actions
C.7 The council has a social media policy published on its website	Yes		
C.8 The council has an agreed process for handling complaints which is published on its website	Yes	See model complaints handling process available from the Complaints Standards Authority Public Services Ombudsman Wales has legal powers to look into complaints about public services	Need to add our Complaints Policy to the TKBTC Website.

Theme C – Community engagements and partnerships – Summary of actions

Summary of actions

By who

By when

- C.8 – Need to add TKBTC Complaints Policy to TKBTC Website.

- Clerk

- 31/07/2022.

Theme D – Business processes

A process is a series of actions or steps taken to achieve a particular end. A well-run and well-managed council will have clearly defined processes in place for key areas of business. These processes give an overall structure for decision-making designed to:

- ensure compliance with legislative requirements;
- deliver consistent outcomes or results; and
- mitigate against risk by ensuring tasks are performed correctly.

Business processes are likely to be key indicators of the strength of financial management and governance arrangements of a community or town council. The following will support your council to reflect on areas where typically a council has established processes in place, and help you determine if you need to introduce new or different processes.

Statutory obligation

Theme D – Business processes

Statement	In place (Yes/No)	Further information	Comments and actions
The council operates high standards of accountability and governance in an open and transparent way			
D.1 The council has a set of standing orders to help govern the conduct of meetings, which is published on its website	Yes	Councils are subject to arrangements relating to the conduct of meetings and making decisions as set out in the Local Government Act 1972 , in particular Schedule 12 . The Local Government and Elections (Wales) Act 2021 made amendments to Schedule 12 of	- Reviewed and approved annually at Annual Meeting in May.

Theme D – Business processes

Statement	In place (Yes/No)	Further information	Comments and actions
D.2 Councillors' declarations of personal and prejudicial interests are recorded in the minutes and published on a separate rolling register on its website	Yes	the 1972 Act which councils will also need to be aware of, see in particular Schedule 4 to the 2021 Act. In addition, it is strongly recommended that a council has its own standing orders. One Voice Wales and SLCC can provide model standing orders to member councils. Councils must have standing orders with respect to contracts for the supply of goods and materials or the execution of works (see Local Government Act 1972, s135). See The Code of Conduct for members of local authorities in Wales: Guidance from the Public Services Ombudsman for Wales	
D.3 The council has published a schedule of meetings on its website	Yes	Having an annual cycle of council and committee meetings in place to expedite business arrangements supports local	

Theme D – Business processes

Statement	In place (Yes/No)	Further information	Comments and actions
		democracy and demonstrates transparency and public accountability.	
D.4 The council holds an annual meeting in May	Yes	See Local Government Act 1972, Schedule 12, Part IV, section 23 Note also the duty to hold an annual meeting within 14 days of an ordinary election of community councillors. The chairman should sign a declaration of acceptance of office.	
D.5 The council has clearly defined terms of reference (as appropriate) in place where it discharges functions to standing committees. The terms of reference should be	Yes	See Local Government Act 1972 section 101	

Theme D – Business processes

Statement	In place (Yes/No)	Further information	Comments and actions
published on the council's website			
D.6 The council publishes all agendas and supporting background papers on its website at least three clear days before the meeting.	Yes	See Local Government Act 1972, Schedule 12, Part IV, section 26	Review supporting papers which are available on TKBTC website prior to Meetings.
D.7 Councillors are served with a summons and receive copies of agenda papers and draft minutes at least three clear days before the meeting	Yes	See Local Government Act 1972, Schedule 12, Part IV, section 26	
D.8 Members of the press and public are permitted access to council meetings and are supplied with copies of the agenda papers	Yes	See Public Bodies (Admission to Meetings) Act 1960 , and amendments to that Act provided for in Schedule 4 of the Local Government and Elections (Wales) Act 2021	

Theme D – Business processes

Statement	In place (Yes/No)	Further information	Comments and actions
D.9 The council publishes all council / committee / subcommittee minutes on its website	Yes	See Welsh Government Statutory Guidance: Access to Information on Community and Town Councils Schedule 4 of the Local Government and Elections (Wales) Act 2021 includes changes to the Local Government Act 1972 relating to community council notices e.g. giving notice of meetings and their arrangements and the issuing of a short note within 7 days of council meetings. These should be read in conjunction with section 55 of the Local Government (Democracy) (Wales) Act 2013, which requires community councils to make available electronically certain information and documents (including minutes of meetings).	
D.10 The council makes and publishes arrangements for multi-location attendance at	Yes	See Local Government and Elections (Wales) Act 2021 section 47 and chapter 2 of The Local Government and Elections (Wales) Act	

Theme D – Business processes

Statement	In place (Yes/No)	Further information	Comments and actions
community and town council meetings		2021: Statutory Guidance for Community and Town Councils	
D.11 The council has approved scheme of delegations to committees and the clerk and these are published on its website	Yes	These must provide clear terms of reference for areas of responsibilities for committees and to facilitate the clerk taking urgent decisions between the cycles of meetings.	
D.12 The council has a documented constitution describing its general governance arrangements	No	A council constitution sets out the rules governing the council's business and how it operates and enhances local accountability and transparency. An example of a council constitution can be found on Llanelli Rural Council's website .	Covered within Standing Orders and Financial Regulations – A separate Documented Constitution is not considered necessary for a Town Council.
D.13 The council produces and approves an annual business plan	Yes		PFR & Environmental Improvements Schedules implemented annually.

Theme D – Business processes

Statement	In place (Yes/No)	Further information	Comments and actions
D.14 The council has a freedom of information publication scheme	Yes	The council must have documentation in place in order to comply with the Freedom of Information Act 2000 – Duty to have a publication scheme The Information Commissioner's Office has produced a Freedom of Information self-assessment toolkit	
D.15 The council has a current information and data protection policy, which is published on its website.	Yes	The council must comply with the Data Protection Act 2018 and General Data Protection Regulation 2018 (GDPR). The Information Commissioner's Office has published a guide to Data Protection and a guide to GDPR on its website. The Information Commissioner's Office has a checklist to help comply with data protection responsibilities	

Theme D – Business processes

Statement	In place (Yes/No)	Further information	Comments and actions
		The Information Commissioner has produced a checklist ' How secure is your personal data? '	
D.16 The council has completed and met the requirements of the Information Commissioner's data protection self-assessment checklist for organisations	Yes	A Data protection self-assessment is available on the Information Commissioner's Office website.	
D.17 The council has a current IT Information Security Policy, which has been issued to councillors and staff	Yes		
D.18 The council has a suite of privacy notices published on its website, email communications and other forms of client correspondence	Yes	Model policies and privacy notices available to members from One Voice Wales and the SLCC.	- Reviewed annually by DPO as part of Data Protection Audit.

Theme D – Business processes

Statement	In place (Yes/No)	Further information	Comments and actions
D.19 The council has performed a data audit to assess what information it holds	Yes		
D.20 The council has a document retention policy published on its website	Yes		
D.21 The council periodically purges information which it no longer needs to keep	Yes		- Annually Review Undertaken
D.22 The council keeps information disposal records	Yes		
D.23 The council has published an accessibility statement on its website and undertakes periodic reviews to ensure that	Yes	See The Public Sector (Websites and Mobile Applications) Accessibility Regulations 2018 See Understanding accessibility requirements for public sector bodies	

Theme D – Business processes

Statement	In place (Yes/No)	Further information	Comments and actions
the website remains compliant			
D.24 The council has a business continuity plan to help it continue to function should it encounter loss or damage to property	Yes	One Voice Wales can supply a selection of model policies to member councils on a consultancy basis.	
D.25 The council has an emergency plan to help support community resilience and which has been shared with the Emergency Planning Authority	No		- Not a Town Council requirement

Theme D – Business processes

Statement	In place (Yes/No)	Further information	Comments and actions
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The council fulfils its duties and responsibilities in regard to health, safety and welfare

D.26 The council has an extant Health and Safety Policy Statement and associated procedures

Yes

Employers must:
Provide a safe working environment for employees and all other persons affected by its actions, including contractors and members of the public.

Employees must:
Act in accordance with the council's Health and Safety policy and supporting procedures and comply with all statutory regulations and Health and Safety legal requirements.

See [Health and Safety Executive website](#)

D.27 There is an annual budget in place to meet health and safety requirements

Yes

Theme D – Business processes

Statement	In place (Yes/No)	Further information	Comments and actions
D.28 The council has documented risk assessments in place and performs regular reviews (at least annually) of all its risk assessments to identify hazards and the adequacy of existing control measures across all activities and service areas	Yes		- TKBTC employs an Independent H & S Consultant.
D.29 The council has developed internal systems to manage the control measures set out in the risk assessments relating to council property and activities, and produces an annual action plan which is reviewed and reported to council	Yes		

Theme D – Business processes

Statement	In place (Yes/No)	Further information	Comments and actions
D.30 The council has an accident report book and related investigation procedures	Yes		
D.31 The council has a stress management policy	No		- Not a legal requirement, given total staffing number of three, not considered necessary – Will review/implement if the need arises.
D.32 The council has a stress risk assessment	No		- Not a legal requirement, given total staffing number of three, not considered necessary – Will review/implement if the need arises.
D.33 The council facilitates and controls community events and has an events management plan to consistently regulate event activities safely	No		- Will review/implement if the need arises.

The council understands how to manage its assets and facilities

Theme D – Business processes

Statement	In place (Yes/No)	Further information	Comments and actions
D.34 The council maintains a register of its assets	Yes	The Accounts and Audit (Wales) Regulations 2014, regulation 6 , requires the council to keep a record of all assets and liabilities held by the council.	
D.35 The council periodically examines and risk assesses its assets and prepares maintenance / repair plans	Yes	Councils need to ensure that their community based assets are safe for use by councillors, officers and the public.	
D.36 The council prepares a business case before entering into the acquisition of large value assets	No	Councils should ensure that they fully understand the implications and effects of acquiring assets. These may incur ongoing maintenance and running costs and may require the council to borrow money to finance the projects.	- Will review/implement if the need arises.
		Welsh Government guidance - Borrowing approvals: guidance for community and town councils	

Theme D – Business processes

Statement	In place (Yes/No)	Further information	Comments and actions
D.37 The council has adequate insurance cover to protect employees, buildings, other property, cash and members of the public.	Yes	Insurance must be in place to cover employees, members of the public, all buildings, contents and events. Insurance documents should be circulated and approved by full council. Certificates of insurance must be displayed in a prominent position at all council premises.	- Insurance needs reviewed annually.

Theme D – Business processes – Summary of actions

Summary of actions

By who

By when

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D.6 The council publishes all agendas and supporting background papers on its website at least three clear days before the meeting.

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Clerk

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Review supporting papers which are made available on TKBTC website prior to Meetings.

Theme E – Resources and financial management

Community and town councils are entrusted with management of public funds and assets. All councils should have appropriate financial governance arrangements in place to ensure the security of these resources and to ensure that they achieve economy, efficiency and effectiveness in the use of those resources.

This theme considers the arrangements the council has put in place to manage its resources and covers both assets held and the council's finances. The questions here will provide confidence that the statutory and non-statutory procedures for good financial management are in place, or highlight areas where the council needs to make improvements.

Statutory obligation

Theme E – Resources and financial management

Statement	In place (Yes/No)	Further information	Comments
The council has suitable accounting and audit systems			
E.1 The council has a formally appointed responsible financial officer	Yes	Local Government Act 1972 section 151 requires the council to make arrangements for the proper administration of its financial affairs and to secure that one of its officers, the responsible finance officer, has responsibility for administration of those affairs.	

Theme E – Resources and financial management

Statement	In place (Yes/No)	Further information	Comments
E.2 The council has a complete and up to date ledger/cashbook	Yes	See chapter 4 of Governance and Accountability for Local Councils in Wales – A Practitioners Guide for further guidance. Accounts and Audit (Wales) Regulations 2014 - regulation 6 requires the Council's accounting records to: (a) be sufficient to show and explain a relevant body's transactions and to enable the responsible financial officer to prepare the accounting statements; and (b) contain— (i) entries from day to day of all sums of money received and expended by the body and the matters to which the income and expenditure or receipts and payments accounts relate; (ii) a record of the assets and liabilities of the body; and (iii) a record of income and expenditure of the body in relation to claims	

Theme E – Resources and financial management

Statement	In place (Yes/No)	Further information	Comments
E.3 The council has clearly documented accounting procedures including any segregation of duties and a schedule of key records	Yes	made, or to be made, by it for contribution, grant or subsidy. The Accounts and Audit (Wales) Regulations 2014 require the responsible financial officer to determine the council's accounting control systems and ensure that the accounting control systems are observed. The accounting control systems must include— (a) measures to ensure that financial transactions are recorded as soon as reasonably practicable and as accurately as reasonably possible, measures to enable the prevention and detection of inaccuracies and fraud, and the ability to reconstitute any lost records; (b) identification of the duties of officers dealing with financial transactions and	

Theme E – Resources and financial management

Statement	In place (Yes/No)	Further information	Comments
		division of responsibilities of those officers in relation to significant transactions; (c) procedures to ensure that uncollectable amounts, including bad debts, are not written off except with the approval of the responsible financial officer, or such member of that person's staff as is nominated for this purpose, and that the approval is shown in the accounting record; and (d) measures to ensure that risk is appropriately managed	
E.4 The council has a schedule of its key accounting records	Yes	Councils should ensure that they are fully aware of all key accounting records including for example, burial register, cheque books, invoices, payroll records, contracts (including employment contracts)	
E.5 There are documented arrangements for transfer of documents	No	Councils must ensure that all accounting records including contracts, payroll records, invoices etc are held securely and proper arrangements are in place for the transfer of	- Will review/implement if the need arises.

Theme E – Resources and financial management

Statement	In place (Yes/No)	Further information	Comments
on change of responsible financial officer		records on changes in the clerk/responsible financial officer. This is particularly important where the council does not have its own office. The council's copy of the clerk's employment contract should not be retained by the clerk where the council does not have its own office.	
E.6 The council has and monitors a record of its earmarked reserves and balances and ensures that precept is not raised unnecessarily	Yes	See Governance and Accountability for Local Councils in Wales – A practitioners guide (2019 Edition) chapter 22 for guidance	
E.7 There is an agreed timetable for the preparation and approval of the Annual Return/statement of accounts	Yes	Preparing and agreeing a timetable for the preparation and approval of the annual return will enable the council to meet the statutory approval date of 30 June each year. Documenting these arrangements also assists in handover of responsibilities between outgoing and incoming responsible financial officers.	

Theme E – Resources and financial management

Statement	In place (Yes/No)	Further information	Comments
E.8 The approval of the Annual Return is a set agenda item on the council meeting schedule to be approved by 30 June	Yes	See The Accounts and Audit (Wales) Regulations 2014, regulation 15 Members will need to be mindful of the statutory timetable for approving the accounts and where the statutory dates are not met, establish why there is a delay and make arrangements to approve the accounts as soon as possible thereafter. Members must receive the full annual return 3 days before the meeting. The Accounts and Audit (Wales) Regulations 2014 requires that the council as a whole approve the accounting statements (contained in the Annual Return)	
E.9 Councillors receive appropriate evidence to	Yes	Councils should not approve the annual return until they are satisfied that the	

Theme E – Resources and financial management

Statement	In place (Yes/No)	Further information	Comments
support the governance assertions made in the annual governance statement as included in the annual return		assertions made in the annual governance statement are supported by sufficient evidence to justify the answers given.	
E.10 The council has a risk register which is reviewed at least annually	Yes	See Governance and Accountability for Local Councils in Wales – A practitioners guide (2019 Edition) chapter 9 for guidance The council should have a risk management scheme which highlights every significant risk in terms of the council's activities and makes clear how such risks will be managed. This includes investing in adequate insurance to protect employees, buildings, cash and members of the public.	
E.11 Appointment of the internal auditor and internal audit terms of	Yes	See Governance and Accountability for Local Councils in Wales – A practitioners guide (2019 Edition) – chapter 11 and appendix 2	

Theme E – Resources and financial management

Statement	In place (Yes/No)	Further information	Comments
reference are approved by the council			
E.12 The effectiveness of internal audit is reviewed at least once in each year	Yes	Accounts and Audit (Wales) Regulations 2014 - regulation 7 requires that the council maintain an adequate and effective system of internal audit.	
E.13 Councillors examine the audit pack to be sent to the Auditor General for Wales to confirm the accuracy of the information provided	Yes		- An Appointed Finance Councillor is appointed annually at the May Annual Meeting.
E.14 The rights of the public in relation to the accounts are advertised at the appropriate times	Yes	See Accounts and Audit (Wales) Regulations 2014 – regulation 17	
E.15 The council allows inspection of the annual return or statement of accounts and the	Yes	See Accounts and Audit (Wales) Regulations 2014 – regulation 17	

Theme E – Resources and financial management

Statement	In place (Yes/No)	Further information	Comments
supporting accounting records and other documents once the statement of accounts has been approved by the council			
E.16 Councillors receive a copy of the Auditor General's final audit report and a copy of the Auditor General for Wales' certified annual return	Yes	The council should ensure they are aware of the outcome of the statutory audit and any issues identified so that its arrangements can be improved or errors corrected for future years	
E.17 The statement of accounts is published after the annual external audit, together with the auditor's report	Yes	See Accounts and Audit (Wales) Regulations 2014 – regulation 18	
The council has suitable financial management and financial assistance processes			
E.18 The council prepares a detailed	Yes	The Local Government Finance Act 1992 section 50 requires the council to calculate its budget requirement for the year and	

Theme E – Resources and financial management

Statement	In place (Yes/No)	Further information	Comments
budget each year prior to setting the precept		specifies how the budget requirement is to be calculated	
E.19 The budget and the precept requirement are approved by the council	Yes	See Governance and Accountability for Local Councils in Wales – A practitioners guide (2019 Edition) – chapter 6	
E.20 The council receives periodic (monthly/quarterly) reports comparing income and expenditure against the approved budget, and where there are differences between actual and budget figures, the council ensures it receives	Yes	Regular monitoring of income and expenditure can help councils to identify financial issues before they become problems.	

Theme E – Resources and financial management

Statement	In place (Yes/No)	Further information	Comments
detailed explanations of the differences			
E.21 The council receives and reviews periodic (monthly/quarterly) bank reconciliations	Yes	The bank reconciliation is an important internal control as it provides evidence of the completeness and accuracy of the amounts recorded in the council's accounting records. Reconciliations should be prepared whenever a bank statement is received and should be reviewed to confirm they have been properly prepared. Reviewers should seek evidence and explanations for reconciling items.	
E.22 Welsh Government consent is obtained before entering into long term borrowing to finance capital expenditure	No	Councils must obtain Welsh Government consent before entering into long term borrowing arrangements. Welsh Government publishes guidance on applying for borrowing approvals and an application form on its website.	- Will review/consider/implement – If the need arises.

Theme E – Resources and financial management

Statement	In place (Yes/No)	Further information	Comments
E.23 Arrangements are in place for internal audit of the council's accounting records and of its system of internal control, and for receipt of the internal audit report prior to the council's approval of the annual return	Yes	Accounts and Audit (Wales) Regulations 2014 - regulation 7 requires that the council maintain an adequate and effective system of internal audit.	
E.24 Standing orders are in place specifically for the procurement of the supply of goods, materials, works and services	Yes	Local Government Act 1972 section 135 requires all councils to make standing orders covering contracts for the supply of goods, materials and the execution of works. The standing orders must make provision to secure competition and to regulate the way in which tenders are invited. Section 135 of the Local Government Act 1972 allows for small contracts to be exempt and to make an exemption in a particular case.	

Theme E – Resources and financial management

Statement	In place (Yes/No)	Further information	Comments
One Voice Wales and SLCC can provide model standing orders to members.			
E.25 The council reviews procurement thresholds in its standing orders and financial regulations to ensure they remain relevant	Yes	Model standing orders and financial regulations need to be tailored to fit the needs of the council.	
E.26 Significant items of expenditure and all contracts are reviewed to ensure compliance with the standing orders / financial regulations	Yes		
E.27 Exemptions to the standing orders / financial regulations are only applied in exceptional circumstances	Yes	Standing orders / financial regulations must be followed as a matter of course, any exceptions are expected to be rare and the reasons for departure should be documented / recorded in the minutes of the council.	

Theme E – Resources and financial management

Statement	In place (Yes/No)	Further information	Comments
E.28 Documented procedures are in place for making payments to third parties and employees	Yes	The council should have clearly documented procedures for authorising and making payments. This is required to ensure: • Bank accounts are only opened with consent of the council • Direct debits and standing orders are properly authorised • Appropriate authorisation limits and procedures are in place to ensure that only approved payments are made • Access to council funds is safeguarded in case of departure of members/officers	
E.29 Payments are periodically reviewed to ensure that the appropriate procedures have been followed	Yes	Independent review of payments processes is an important control to limit the risk of fraud or other error arising.	
E.30 The establishment and ongoing payments made by bank standing order/direct debit are monitored	Yes	Bank standing orders and direct debits result in an ongoing series of payments and the council should ensure that it understands what the payments are for and the current level of payments made.	

Theme E – Resources and financial management

Statement	In place (Yes/No)	Further information	Comments
E.31 There is a documented policy and procedure for the award of grants	Yes	Adoption of a policy and specified procedure for the award of grants will help councils to decide between competing requests for support. Councils can set key criteria for eligibility, limits on the assistance that may be awarded and specify evidence required to support applications for funds. It also provides a clear trail from the application to the award of grant.	
E.32 The council calculates annually the maximum sum it is allowed to spend under the section 137 power	Yes	The amount councils are permitted to spend is limited to a multiple of registered electors as at January immediately before the start of the financial year. Councils need to ensure that they do not spend more than the allowed sum. The allowable amount is published annually by Welsh Government.	
		Note - Once a council resolves itself an eligible community council, section 137 of the Local Government Act 1972 no longer	

Theme E – Resources and financial management

Statement	In place (Yes/No)	Further information	Comments
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applies to the council. Unlike section 137 there is no financial limitation on what an eligible community council can spend if they are exercising the general power of competence.

E.33 Before making a decision to award a grant for financial assistance, the council considers if the grant awarded is commensurate with the benefit that will be accrued to the community

Yes

[Section 137 of the Local Government Act 1972](#) requires that the financial assistance awarded is commensurate with the benefit accrued to the community.

Where the General Power of Competence is intended to be exercised, eligible community council must approve a business case in support of the proposal. See [chapter 1 of The Local Government and Elections \(Wales\) Act 2021: Statutory Guidance for Community and Town Councils](#)

Theme E – Resources and financial management

Statement	In place (Yes/No)	Further information	Comments
E.34 Before making a decision to award a grant, the council considers if it has a specific power to incur the expenditure rather than applying the section 137 power, or if there is a statutory prohibition on making such a payment	Yes	The miscellaneous power cannot be applied to incur expenditure where there is an existing statutory provision that would allow the expenditure to be incurred. In addition these powers cannot be applied to circumvent a statutory prohibition on the expenditure being incurred.	
E.35 The council keeps a separate account of all section 137 payments	Yes	See section 137 of the Local Government Act 1972	

Theme E – Resources and financial management – Summary of actions

Summary of actions	By who	By when
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No issues identified

Summary of all actions to be taken as a result of Part 1 – The health check

Summary of key actions	By who	By when
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