



**BARRY TOWN COUNCIL
CYNGOR TREF Y BARRI**

PURSUANT TO THE REQUIREMENTS OF THE ABOVE STATUTORY PROVISIONS, NOTICE IS HEREBY GIVEN THAT A MEETING OF THE FINANCE, POLICY & GENERAL PURPOSES COMMITTEE TO BE HELD REMOTELY ON TUESDAY 19 JULY 2022 COMMENCING AT 7.00 PM FOR THE PURPOSE OF TRANSACTING THE BUSINESS SHOWN IN THE AGENDA SET OUT BELOW.

From 1 May 2021 The Local Government and Elections (Wales) Act 2021 makes provision for meetings to take place through a variety of arrangements, including multi-location meetings where all individuals are attending virtually and hybrid meetings where a number of individuals are attending in person at a designated location and others are attending virtually from a range of other locations. The Act makes permanent provision for remote meetings (multi-location) and electronic publication of documents

Yours faithfully

A handwritten signature in black ink that reads 'Emily Forbes'.

Emily Forbes
Chief Officer (Town Clerk)

AGENDA

1. **Apologies for absence**
2. **To receive declarations of interest under the Council's Code of Conduct.** (Note: Members seeking advice on this item are asked to contact the Monitoring Officer at least 72 hrs before the meeting).
3. **Well-being of Future Generations (Wales) Act 2015**
(To note)

*Finance, Policy and General Purposes committee members will note that this Act sets out the requirement for a public body to act in a manner which seeks to ensure **that the needs of the***

present are met without compromising the ability of future generations to meet their own needs.

In order to act in that manner, a public body must take account of the following things:

- (a) the importance of balancing short term needs with the need to safeguard the ability to meet long term needs, especially where things done to meet short term needs may have detrimental long term effect;*
- (b) the need to take an integrated approach, by considering how—*
 - i. the body's well-being objectives may impact upon each of the well-being goals;*
 - ii. the body's well-being objectives impact upon each other or upon other public bodies' objectives, in particular where steps taken by the body may contribute to meeting one objective but may be detrimental to meeting another;*
- (c) the importance of involving other persons with an interest in achieving the well-being goals and of ensuring those persons reflect the diversity of the population of the part of Wales in relation to which the body exercises functions;*
- (d) how acting in collaboration with any other person (or how different parts of the body acting together) could assist the body to meet its well-being objectives, or assist another body to meet its objectives;*
- (e) how deploying resources to prevent problems occurring or getting worse may contribute to meeting the body's well-being objectives, or another body's objectives.*

- 4. To approve the minutes of the Finance, Policy & General Purposes Committee meeting held on 20 June 2022
(Pages 32-37)**
- 5. To note the minutes of the Sustainable Barry Working Party held on Monday 11 July 2022
(Pages 38-42)**

FINANCIAL REPORTS

- 6. To receive the Schedule of Payments for June 2022
(Pages 43-47)**

(If Councillors have any queries on the attached please contact the Deputy Chief Officer prior to the meeting)

POLICY REPORTS

7. **Internal Audit Report 2021/22 (Final)**
(Pages 48-59)
8. **GDPR Update**
(Verbal)
9. **To receive the newly launched Finance and Governance Toolkit for Community and Town Councils and note that this Self-Assessment will be taken forward with Full Council at a future meeting**
(Pages 60-167)
10. **To receive and note Statutory guidance relating to the Local Government and Elections (Wales) Act 2021**
(Pages 168-197)
11. **Exclusion of the Press & Public**

In accordance with section 1(2) of the Public Bodies (Admission to Meetings) Act 1960, in view of the confidential nature of the business about to be transacted, it is advisable in the public interest that the press and public are excluded from the remainder of the meeting.

12. **To Receive Recommendations from Other Committees**
 - a) **Sustainable Barry Working Party – Monday 11 July 2022**
(Pages 198-212)
 - b) **Halls, Cemeteries and Community Facilities Committee – Monday 11 July 2022**
(Pages 213-230)
13. **Date of Next Meeting**

The date of the next meeting of the Finance, Policy & General Purposes Committee is scheduled to be held on 12 September 2022.

Distribution

Electronic notification of summons and front page Agenda to all Committee members. Email notification of electronic papers to all Barry Town Councillors (22). A full copy of the agenda and papers for this meeting (with the exception of confidential items) will be available at the Town Council Offices and on the Town Council Website – www.barrytowncouncil.gov.uk

This document is available in large print and other formats upon request/Cewch y ddogfen hon mewn print bras a ffor matiau eraill drwy holi.

BARRY TOWN COUNCIL

MINUTES OF A MEETING OF THE FINANCE, POLICY & GENERAL PURPOSES COMMITTEE HELD ON MONDAY 20 JUNE 2022 AT 7PM

PRESENT: Councillor Brooks (Chair) together with Councillors Drake, E S Goodjohn (Vice Chairperson), N Hodges, S Hodges and McKinney

ALSO PRESENT: Mark Sims – Deputy Chief Officer
Hannah Linton – Administrator
Councillor Johnson – Observer

F1. **APOLOGIES FOR ABSENCE**

Apologies were received from Councillor Davies-Powell and Payne.

F2. **DECLARATIONS OF INTEREST**

None were received.

F3. **WELL-BEING OF FUTURE GENERATIONS (WALES) ACT 2015**

RESOLVED: That the Well-being of Future Generations (Wales) Act 2015 be received and noted.

F4. **TERMS OF REFERENCE**

RESOLVED: That the terms of reference for the Finance, Policy & General Purposes Committee were received and noted.

F5. **TO APPROVE THE MINUTES OF THE FINANCE, POLICY & GENERAL PURPOSES COMMITTEE MEETING HELD ON 31 JANUARY 2022**

Referencing minute number F347 (Events 2022/23), Councillor S Hodges queried Barry Round Table and the Barry Rotary Club's request for a meeting regarding Fireworks for November 2022, as her understanding from the Committee's previous meeting was that the Fireworks event would not take place in 2022 and members agreed in principle to re-purpose funding from Fireworks to the Festival of Lights. The Chair agreed with Councillor S Hodges stating that she understood the Fireworks was not taking place in 2022.

The Deputy Chief Officer confirmed that Barry Round Table and Barry Rotary Club were advised of the Council's position due to the Vale of Glamorgan Council advising that they did not expect and made no provision for the Fireworks event to go ahead due to the pandemic. The Deputy Chief Officer stated that Barry Round Table and Barry Rotary Club would like for the Firework Fiesta to continue if Barry Town Council were able to provide the funding, hence their request for a meeting to be held with all parties.

RESOLVED: That the minutes of the Finance, Policy & General Purposes Committee held on 31 January 2022 be approved and signed as correct record.

F6. **SCHEDULE OF PAYMENTS FOR JUNE 2022**

Members were provided with the schedule of payments for June 2022 consisting of cheque number 002978, direct debits and BACS payments, in the amount of £10,882.68.

RESOLVED: That the schedule of payments for June 2022 consisting of cheque number 002978, direct debits and BACS payments, in the amount of £10,882.68 be approved.

F7. **BUDGET MONITORING REPORT TO 31 MAY 2022**

Members received a report containing details of the Council's income and expenditure in the 2022/23 financial year as at the end of May 2022.

Councillor S Hodges queried the costing of electricity due to the current price rising across the United Kingdom.

The Deputy Chief Officer confirmed that the Council's Gas and Electric contract for the Merthyr Dyfan Cemetery and Pioneer Hall are due for renewal in August, which will undoubtedly be higher. The cost of Gas and Electric at Town Hall is included in the lease agreement with the Vale of Glamorgan Council and the renewal date for the Cemetery Approach Community Centre is next year.

The Chair noted that the budget may have to be reviewed new contracts are agreed.

Councillor S Hodges queried when the Vale of Glamorgan Council would be reviewing the lease agreement in regards to the cost of gas and electricity provided.

The Deputy Chief Officer agreed to check the lease agreement and advise members by email.

RESOLVED:

1. **That the Deputy Chief Officer provide members with the review dates within the lease agreement for Town Hall.**
2. **That the budget monitoring report for May 2022, indicating actual income and expenditure up to the end of month two in the 2022/23 financial year, noting the projected underspend of £1,590 for 2022/23 that will result in a net amount of £36,380 being transferred from reserves be approved.**

F8.

GRANTS AND DONATIONS 2022/23

Members were provided a report to review the Council's Annual Grants Giving exercise prior to launching the Council's 2022/23 Grants.

The Chair suggested increasing the Community Grants budget by £3,882.50 resulting in £45,000 being available for the remainder of the year.

The Deputy Chief Officer requested that members consider the grants categories / breakdown for the remaining £45,000 within the Community Grants budget. Members agreed to revert to the previous breakdown from pre-pandemic levels being:

Grants to Voluntary / Community Organisations	£25,000
Books for Schools	£10,000
Grants for Local Businesses	£ 3,000
Christmas Meals Grants for Older People	£ 2,700
Green Grants	<u>£ 4,300</u>
Total	<u>£45,000</u>

The Deputy Chief Officer advised that he was aware the Chief Officer is finding it rather difficult to get all members of Council together for a Corporate Plan Workshop to discuss the Council's Corporate Plan 2022-2027 that would have provided the Council's ambitions for the coming years. Therefore, members may want to recommend to the meeting of Full Council that a Working Party be set up for initial discussions around Council's intentions and ambitions relating to the £150,000 budget provision ring fenced for arts, culture and entertainment.

Councillor S Hodges agreed that all Councillors should be involved in the decision of allocated a large amount of funding, and agreed for a working party meeting for Councillors and Officers to voice their ideas and opinions.

The Chair agreed with a Working Party meeting to discuss the allocation of the money.

Councillor S Hodges recommended encouraging all Councillors and Officers to send their written suggestions in to the Council to ensure all ideas had been discussed.

The Deputy Chief Officer suggested a working party meeting be held before summer recess of around 12 Councillors from a range of parties to discuss all suggestions made.

RESOLVED:

1. That the Community Grants budget be increased by £3,882.50 from the General Reserve.

2. That the grants categories for the remaining £45,000 be agreed as follow:

Voluntary / Community Organisations	£25,000
Books for Schools	£10,000
Grants for Local Businesses	£ 3,000
Christmas Meals Grants for Older People	£ 2,700
Green Grants	<u>£ 4,300</u>
Total	<u>£45,000</u>

3. That the documentation provided as Appendices to the paper be approved and that officers be authorised to proceed with launching the 2022/23 Community Grants Scheme on Friday 1 July 2022 to Friday 12 August 2022.

RECOMMENDATION:

4. That a Working Party be set up (consisting of twelve members) to discuss Council's intentions and ambitions relating to the £150,000 budget provision, ring fenced for arts, culture and entertainment. (All members are encouraged to provide written suggestions in to the Council to ensure all ideas considered)

F9. **MINDFULNESS GARDEN AT CEMETERY APPROACH GARDENS (FORMER SITE OF AIR RAID SHELTER)**

Members were provided with a report to request 'Match Funding' for the Mindfulness Garden Project at the Cemetery Approach Gardens.

The Deputy Chief Officer advised that the Town Council applied for, and was successful in obtaining, funding from the Vale of Glamorgan Council's Stronger Communities Fund for the Mindfulness Garden on the former site of the Air Raid Shelter at Cemetery Approach. We had hoped to receive full funding of £18,910.17 however the Vale of Glamorgan Council granted £10,000 requesting the Town Council provide 'Match Funding' of £8,910.17, which had been omitted from the Council draft budget for 2022/23 and therefore members were requested to approve a new expenditure heading 'Special Projects/Mindfulness Garden in the amount of £8,910.17 from the General Reserve.

The Chair commented that completing the project would link in the area to what had been achieved already at the Cemetery Approach Gardens, and agreed with the recommendation of providing the additional funding for the project of up to £9,000.

Councillor S Hodges supported the recommendation of providing the funding of up to £9,000.

RESOLVED: That members authorised a new budget expenditure heading ‘Special Projects / Mindfulness Garden’ in the amount of £9,000 from the general reserve.

F10. **GDPR UPDATE**

The Deputy Chief Officer updated members noting that all staff would be attending a re-fresher training course on GDPR and that officers are investigating whether it would be advisable for Councillors to be able to access their Council emails on their personal phones. He stated that all Councillors will be contacted regarding the matter once decision had been made.

RESOLVED: That members received and noted the GDPR update.

F11. **TO RECEIVE RECOMMENDATIONS FROM OTHER COMMITTEES**

a. **Personnel Committee – 13 June 2022**

Members received the minutes of the Personnel Committee meeting held on 13 June 2022 and were requested to give consideration to four recommendations therein.

RESOLVED:

- 1 That a full time Planning Officer is recruited at a cost of £43,610.**
- 2 That the Events and Engagement Manager role be externally job evaluated by One Voice Wales at a cost of £100 and results reported back to the Personnel Committee for implementation.**
- 3 That that the Wellbeing projects officer salary scale is set at SCP 18 – 20, in line with other incremental scales.**
- 4 That the request for BSL Training at a cost of £700 be authorised which can be allocated from the Staff Training Budget.**

F12. **DATE OF NEXT MEETING**

RESOLVED: That the date of the next meeting of Finance, Policy & General Purposes Committee is scheduled to be held on Tuesday 19 July 2022.

Meeting closed at 19:50pm.

Signed(Chairperson) Dated

FOR INFORMATION ONLY

ACTION SHEET - FINANCE, POLICY & GENERAL PURPOSES COMMITTEE - 20 JUNE 2022

MINUTE NO.	ACTION TO BE TAKEN	ACTION TO BE TAKEN BY	DATE ACTION TO BE CARRIED OUT	PROGRESS
F7 (1)	That the Deputy Chief Officer provide members with the review dates within the lease agreement for Town Hall.	DCO	27-Jun	Ongoing
F8 (1)	That the Community Grants budget be increased by £3,882.50 from the General Reserve.	DCO	31-Jul	Complete
F8 (3)	That the documentation provided as Appendices to the paper be approved and that officers be authorised to proceed with launching the 2022/23 Community Grants Scheme on Friday 1 July 2022 to Friday 12 August 2022.	DCO	01-Jul	Ongoing
F8 (4)	That a Working Party be set up (consisting of twelve members) to discuss Council's intentions and ambitions relating to the £150,000 budget provision, ring fenced for arts, culture and entertainment. (All members are encouraged to provide written suggestions in to the Council to ensure all ideas considered)	DCO	24-Jun	Complete - For FC 27.06.22 to consider the recommendation.
F9	That members authorised a new budget expenditure heading 'Special Projects / Mindfulness Garden' in the amount of £9,000 from the general reserve.	DCO	31-Jul	Complete
F11(1)	That a full time Planning Officer is recruited at a cost of £43,610.	CO		Ongoing
F11(2)	That the Events and Engagement Manager role be externally job evaluated by One Voice Wales at a cost of £100 and results reported back to the Personnel Committee for implementation.	CO	31-Jul	Ongoing
F11(3)	That that the Wellbeing projects officer salary scale is set at SCP 18 – 20, in line with other incremental scales.	EETM	27-Jun	Complete
F11(4)	That the request for BSL Training at a cost of £700 be authorised which can be allocated from the Staff Training Budget.	EETM	27-Jun	Complete

BARRY TOWN COUNCIL

DRAFT MINUTES OF A MEETING OF THE SUSTAINABLE BARRY WORKING PARTY HELD ON MONDAY, 11 JULY 2022, AT 6PM

PRESENT: Councillors Dancey (arrived at 18:06pm), Drake, S Hodges, Iannucci, McKinney and Perkes.

ALSO PRESENT: Robyn Walsh – Engagement and Events Team Manager
Hannah Linton – Administrator
Councillor N Hodges – Observer
Councillor Johnson – Observer

1. APOLOGIES FOR ABSENCE

None were received. However, Councillor S Hodges made members aware that Councillor Dancey would be arriving late.

2. TO RECEIVE DECLARATIONS OF INTEREST UNDER THE COUNCILS CODE OF CONDUCT

None were received.

3. WELL-BEING OF THE FUTURE GENERATIONS (WALES) ACT 2015

RESOLVED that the Well-being of Future Generations (Wales) Act 2015 be received and noted.

4. ELECTION OF CHAIRPERSON FOR 2022/23 MUNICIPAL YEAR

The Engagement and Events Team Manager requested nominations from members for the Election of Chairperson for the 2022/23 Municipal Year.

Councillor Drake nominated Councillor Perkes as Chairperson with Councillor S Hodges seconding the nomination.

RESOLVED that Councillor Perkes is elected as Chairperson for the Sustainable Barry Working Party Committee for the 2022/23 municipal year.

5. SUSTAINABLE BARRY WORKING PARTY TERMS OF REFERENCE

RESOLVED that the Sustainable Barry Working Party Terms of Reference be received and noted.

6. ELECTION OF VICE-CHAIRPERSON FOR 2022/23 MUNICIPAL YEAR

The Chair requested nominations from members for the election of Vice-Chairperson for the 2022/23 Municipal Year.

Councillor Drake nominated Councillor Iannucci as Vice-Chairperson with Councillor S Hodges seconding the nomination.

RESOLVED that Councillor Iannucci is elected as Vice-Chairperson for the Sustainable Barry Working Party Committee for the 2022/23 municipal year.

7. TO APPROVE THE MINUTES OF THE SUSTAINABLE BARRY WORKING PARTY HELD ON 21 MARCH 2022

RESOLVED that the minutes of the Sustainable Barry Working Party 's meeting held on Monday, 21 March 2022 be approved and signed as a correct record.

8. BUDGET UPDATE 2022/23

The Engagement and Events Team Manager provided an update in relation to the Sustainable Barry Working Party's Budget for the 2022/23 Financial Year.

Councillor S Hodges queried whether there was any committed expenditure that members should be aware of. The Engagement and Events Team Manager confirmed that there was no committed expenditure.

RESOLVED that the Budget Update 2022/23 be received and noted.

9. CLIMATE CHANGE STRATEGY UPDATE

The Engagement and Events Team Manager provided members with a brief overview of the Sustainable Barry Working Party's work to date and its ambitions for year 3 of the Climate Change Action Plan.

Councillor S Hodges queried whether the Action Plan could change over year 3 if more contributions were to be suggested. The Engagement and Events Team Manager responded that the Action Plan can be reviewed and added to when necessary as it is a living document.

Councillor Johnson queried where the Council were in terms of the Church Lane Development Project and was any funding granted for the project. The Engagement and Events Team Manager responded that the project was on hold due to ownership of the land between the Church Trust and the Vale of Glamorgan Council.

Councillor Johnson noted that One Voice Wales could help with funding opportunities and suggested they be contacted and invited to a future Sustainable Barry Working Party meeting to discuss funding available such as the National Lottery funding, which is on an annual cycle for applications to be completed and reviewed.

The Engagement and Events Team Manager suggested that it might be useful for members if a full background report of the Church Lane Project is circulated and that the Well-Being Project Officer provide an update report to the next meeting in October.

RESOLVED:

- 1. That the Climate Change Strategy Update were received and noted.**
- 2. That Members noted the ambitions / actions for year 3 and accepted that the Officers will begin work to realise these ambitions, bringing any costings that need to be considered to future meetings of the Sustainable Barry Working Party.**

3. That the Engagement and Events Team Manager invite Rachel Carter of One Voice Wales to the next meeting of the Sustainable Barry Working Party Committee to discuss available funding.
4. That the Engagement and Events Team Manager circulate previous Church Lane Project reports to all members.
5. That the Engagement and Events Team Manager arrange for the Well-Being Projects Officer to provide an update report of the Church Lane Project to the next meeting of Sustainable Barry Working Party on 3 October 2022.

10. SCHOOL ENGAGEMENT ENVIRONMENTAL AWARENESS UPDATES

The Engagement and Events Team Manager provided members with a report relating to the Wildlife Trust collaboration with local schools and the Environmental Awareness project for members to consider.

The Officer noted that the trips were cancelled for 8 June, 15 June and 21 June due to staffing issues and the Wildlife Trust Officer making a booking error, however the schools were keen to continue and reschedule the engagements for future dates.

Councillor Iannucci queried whether more schools could be added to the list for the trips this year. The Engagement and Events Team Manager responded that the three schools were in place for the trips in June and would be the same schools to be rescheduled for the trips in the future. She stated that if more schools were to be added the budget for the project would have to increase to accommodate the additional schools. There would also be issues around staff capacity if additional dates were added.

Councillor Johnson noted that the trips mentioned within the report would be the first after the pilot session previously and suggested before adding more schools in this year, that the Committee wait to see what feedback is reported from the first three schools.

Councillor Dancey noted that schools needed a lot of notice for events as the school years are filled up quickly and they would have to arrange staffing. The Engagement and Events Team Manager responded that two cancellations were due to the school's staff storages due to Covid-19 sickness, and that she would be mindful of Councillor Dancey's comments.

The Chair suggested that the Engagement and Events Team Manager contact the schools this week to discuss new dates for the trips.

RESOLVED:

1. That members agree that the Council would fund the project again in Autumn 2022 or Spring 2023.
2. That the provisional budget of £950 is ring-fenced for the provision of inclusive school trips to three Barry schools.

3. That the Engagement and Events Team Manager contact the three schools to arrange new dates for the School Engagement Environmental Awareness event.

11. **CARBON MANAGEMENT PLAN QUOTATIONS**

Members were provided a report regarding the undertaking of a Carbon Management and Reduction Plan and development of an Environmental Management System from two Environmental Consultancies.

Councillor S Hodges recommended using the Company that provided the second quotation and to take the recommendation to the Finance, Policy and General Purposes Committee with Councillor Iannucci seconding the recommendation.

Councillor Johnson also recommended that the quotations and information for both companies are provided with the report to the next Finance, Policy and General Purposes Committee meeting scheduled to be held on 19 July 2022.

RESOLVED that members considered the quotes received for the undertaking of a Carbon Management and Reduction project, noting it is a 3-year ambition.

RECOMMENDED to a meeting of the Finance, Policy and General Purpose Committee scheduled to be held on Tuesday, 19 July 2022:

That expenditure of £3,193+VAT is authorised to be spent from the Sustainable Barry Working Party's budget for the purpose of instructing an outside body to implement and provide maintenance advice for an Environmental Management System.

12. **DATE OF NEXT MEETING**

RESOLVED that the date of the next Sustainable Barry Working Party will be held on Monday 3 October 2022, at 6pm.

Meeting closed at 18:20pm.

Signed (Chairperson) Dated

FOR INFORMATION ONLY

ACTION SHEET - SUSTAINABLE BARRY WORKING PARTY - 11 July 2022

MINUTE NO.	ACTION TO BE TAKEN	ACTION TO BE TAKEN BY	DATE ACTION TO BE CARRIED OUT	PROGRESS
9 (3)	That the Engagement and Events Team Manager invite Rachel Carter - One Voice Wales to the next meeting of the Sustainable Barry Working Party Committee to discuss available funding.	EETM	11/10/2022	Completed
9 (4)	That the Engagement and Events Team Manager circulate previous Church Lane Project reports to all members.	EETM	03/10/2022	Completed
9 (5)	That the Well-Being Projects Officer provide an update report of the Church Lane Project to the next meeting of Sustainable Barry Working Party on 3 October 2022.	WPO	03/10/2022	Not started
10 (3)	That the Engagement and Events Team Manager contact the three schools to arrange new dates for the School Engagement Environmental Awareness event.	EETM	ASAP	In progress
11	Recommended to a meeting of the Finance, Policy and General Purposes Committee scheduled to be held on Tuesday, 19 July 2022: That expenditure of £3,198+VAT is authorised to be spent from the Sustainable Barry Working Party's Budget for the purpose of instructing an outside body to implement and provide maintenance advice for an Environmental Management System.	EETM	19/07/2022	On agenda for discussion (Finance)

FINANCE, POLICY & GENERAL PURPOSES COMMITTEE	19 JULY 2022	AGENDA ITEM: 6
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SCHEDULE OF PAYMENTS FOR JULY 2022

Report Author

Rachel Williams, Finance Administrator

Attached: A. Schedule of Payments of Accounts for July 2022 (4 pages)

Purpose of Report

To provide members with the schedule of payments for July 2022 consisting of direct debits and BACS payments, in the amount of £49,621.97 that is attached on the following pages.

Background Information

Financial Regulation 5.2 states “The RFO shall prepare a schedule of payments of accounts, including cheques requiring authorisation, forming part of the Agenda for the Meeting and, together with the relevant invoices, present the schedule on a monthly basis either to a meeting of the Town Council or any Standing Committee, depending on which meets first. The Council / Committee shall review the schedule for compliance and, having satisfied itself shall authorise payment by a resolution of the Council or appropriate Committee.”

The schedule of payments for July 2022 consisting of direct debits and BACS payments, in the amount of £49,621.97 is attached for approval.

Recommendation

Members are requested to approve the schedule of payments for June 2022 consisting of direct debits and BACS payments, in the amount of £49,621.97 that is attached on the following pages.

Schedule of Payments of Accounts For July 2022

<u>Chq No.</u>	<u>Supplier</u>	<u>Description</u>	<u>Net</u>	<u>Vat</u>	<u>Price (£)</u>	<u>Posted To</u>
BACS	Jewson	Supplies for Cemetery Approach Gardens	154.39	30.88	185.27	Cem/Cem Approach Gardens
BACS	Geldards	Legal fees re reviewing correspondance and report	1,262.00	252.00	1,514.00	M&S/Legal
BACS	Rialtas	Annual Support and Maintenance Licence	167.00	33.40	200.40	M&S/Equipment
BACS	Aqua-Air Jetting	Hire of jet wash for use at Pioneer Hall	62.50	12.50	75.00	Pioneer Hall/Property Maint
DD	UK Fuels	Fleet Control and Insights fuel card monthly charge	1.00	0.20	1.20	Cemetery/Fuel
BACS	Vodafone	Monthly rental of six mobile phones & calls for May 2022	107.82	21.58	129.40	M&S/Telephone
BACS	Jewson	Earthworx Gravelrings 500x500mm	511.16	102.23	613.39	Cem/Cem Approach Gardens
DD	N Power	Electricity bill 01.04.22-30.04.22	177.67	8.88	186.55	CACC/Electric
DD	Biffa	Skip Rental 23.04.22-20.05.22 plus empty excess	233.74	46.75	280.49	Cem/Property Maint
DD	Screwfix	Heavy duty hand truck	41.66	8.33	49.99	M&S/Equipment
DD	Viking	25xA4 ream paper for printer	107.25	21.45	128.70	M&S/Stationary
DD	BT	Monthly broadband bill	33.45	6.69	40.14	CACC/Broadband
DD	UK Fuels	Diesel for Cemetery Vehicle	56.15	11.23	67.38	Cemetery/Fuel
BACS	Cardiff Council	Costs for retirement waiving reductions	900.36	0.00	900.36	Cemetery/Salaries
BACS	Churches Fire	Service and maintenance of Fire Alarms at Cemetery	1,387.95	277.59	1,665.54	Cem/Proprety Maint
BACS	SWR Contracting	Removal of sub soil from cemetery	4,250.00	0.00	4,250.00	Cem/Property Maint
BACS	Glamorgan Star	15x6 advert - 2nd June edition	300.00	60.00	360.00	Corporate/Corp Advertising
BACS	Digital Systems UK	Photocopier costs	42.57	8.51	51.08	M&S/Photocopier Costs
DD	Screwfix	380 Latex Builder Gloves	41.71	8.34	50.05	Cemetery/PPE
DD	Screwfix	120 Pu Palm Dip Gloves	44.33	8.87	53.20	Cemetery/PPE
DD	Viking	Various Stationary Supplies	140.48	28.10	168.58	M&S/Stationary
BACS	Prospero Planning Ltd	Planning officer support for April 2022	625.00	125.00	750.00	Planning/Professional Fees
DD	British Gas	Gas bill 1.04.22-14.04.22	37.30	1.86	39.16	Pioneer Hall/Gas
DD	Britisg Gas	Gas bill 15.04.22-15.05.22	42.48	2.12	44.60	Pioneer Hall/Gas
BACS	Happy Embroidery	Embroidery on uniform for cemetery staff	180.00	36.00	216.00	Cemetery/Clothing
BACS	Photographs Matter	Photography and editing	210.00	0.00	210.00	Civic/Photographical Services
BACS	Roman Solutions	Ten x Snowdon 2000mm benches and delivery	3,412.50	682.50	4,095.00	Special Proj/Cem Benches
BACS	Ran Tool Hire	Mould Oil	83.00	16.60	99.60	Cem/Property Maint
BACS	Ran Tool Hire	3.5mm Pull Cord plus labour	21.50	4.30	25.80	Cem/Property Maint

Schedule of Payments of Accounts For July 2022

<u>Chq No.</u>	<u>Supplier</u>	<u>Description</u>	<u>Net</u>	<u>Vat</u>	<u>Price (£)</u>	<u>Posted To</u>
BACS	Hi Communications	Shop Local social media management	400.00	0.00	400.00	Corporate/Shop Local
BACS	Deal Agricultural	Purchase of new Kubota ride on mower	12,750.00	2,550.00	15,300.00	Special Projs/Kubota Mower
DD	Screwfix	Set of screws and Sleeve Anchors	25.74	5.15	30.89	Cem/Property Maint
DD	Screwfix	Cable cover for use in the Chamber	18.48	3.70	22.18	M&S/Equipment
BACS	Happy Embroidery	Embroidery of Town Council logo on clothing for staff	40.00	8.00	48.00	M&S/Clothing
BACS	Happy Embroidery	Embroidery of Town Council logo on clothing for staff	120.00	24.00	144.00	Cemetery/Clothing
BACS	Employee no 00162	Reimbursement of drinks purchased for B Foley awards	69.77	0.00	69.77	Corporate/Corp Event
BACS	Employee no 00185	Staff Mileage Claim for April and May 2022	50.50	1.50	52.00	M&S/Officers Travel
BACS	Employee no 008	Staff Mileage Claim for April and May 2022	9.47	0.28	9.75	M&S/Officers Travel
DD	Lloyds Credit Card	Amblers Safety Work Boots	42.98	0.00	42.98	Cemetery/PPE
DD	Lloyds Credit Card	Stainless Steel Bread Bin	12.50	0.00	12.50	M&S/Equipment
DD	Lloyds Credit Card	Vooda Laptop Bag with waterproof laptop sleeve case	17.33	3.47	20.80	M&S/Stationary
DD	Lloyds Credit Card	Fully Assembled Hoffman Brood and National Hive	288.01	57.59	345.60	Cemetery/Bees
DD	Lloyds Credit Card	Coach transport for school trip	390.00	0.00	390.00	Corp/Sustainable Barry
DD	Lloyds Credit Card	HP DeskJet 27 Printer Inc plus HP 3 year service fee	48.33	9.66	57.99	M&S/Equipment
DD	Lloyds Credit Card	Logitech Wireless Keyboard and Mouse combo	33.32	6.66	39.98	M&S/Equipment
DD	Lloyds Credit Card	Coffee, Tea bags and sugar for office	83.73	1.00	84.73	M&S/Misc
DD	Lloyds Credit Card	200 small coin envelopes for seeds	19.98	4.00	23.98	Corp/Sustainable Barry
DD	Lloyds Credit Card	Sunlotion for cemetery staff	21.00	0.00	21.00	Cemetery/PPE
DD	Lloyds Credit Card	Antigen Rapid Lateral Flow tests	33.99	6.80	40.79	M&S/Covid
DD	Lloyds Credit Card	2 x Corner Angle Connecting Brackets	18.32	3.66	21.98	Cemetery/Property Maint
DD	Lloyds Credit Card	Ballot Box With Lock	10.41	2.08	12.49	M&S/Equipment
DD	Lloyds Credit Card	Automated External Defibrillator Training	158.00	31.60	189.60	Corp/Staff Training
DD	Lloyds Credit Card	6x Micro USB fast charging cables	27.03	5.40	32.43	M&S/Equipment
DD	Lloyds Credit Card	Buffet food for Mayor Making event	130.01	0.00	130.01	Civic/Civic Hospitality
DD	Lloyds Credit Card	Buffet food for Brian Foley Awards	86.57	0.00	86.57	Civic/Civic Hospitality
DD	Lloyds Credit Card	Automated External Defibrillator Training	79.00	15.80	94.80	Corp/Staff Training
DD	Lloyds Credit Card	Customised Circle Stickers x 150	66.98	13.40	80.38	Corp/Events and Engagement
DD	Lloyds Credit Card	3 x £25 Bouquets for Mayor Making	75.00	0.00	75.00	Civic/Mayors Donations

Schedule of Payments of Accounts For July 2022

<u>Chq No.</u>	<u>Supplier</u>	<u>Description</u>	<u>Net</u>	<u>Vat</u>	<u>Price (£)</u>	<u>Posted To</u>
DD	Lloyds Credit Card	Women Scarf	12.49	2.50	14.99	Civic/Mayor's Medallions
DD	Lloyds Credit Card	High speed traing course	25.00	5.00	30.00	Corp/Staff Training
DD	Lloyds Credit Card	Travis Perkins	130.00	26.00	156.00	M&S/Property Maintenance
DD	British Gas	Electricity Bill 21.04.22-20.05.22	68.15	3.40	71.55	Pioneer Hall/Electric
DD	British Gas	Electricity Bill 22.04.22-21.05.22	130.67	6.53	137.20	Cemetery/Electric
DD	Britisg Gas	Electricity Bill 29.04.22-28.05.22	188.01	37.60	225.61	Cemetery/Electric
DD	Lloyds Bank	Cardnet charges for May 2022	22.37	0.00	22.37	M&S/Bank Charges
BACS	Crosshands Training	In house woodchipper training 12th April	375.20	75.04	450.24	Corporate/Staff Training
DD	N Power	Electricity bill of May 2022	276.29	13.81	290.10	CACC/Electric
DD	Lloyds Cardnet	Bank charges for the month of May 2022	45.10	0.00	45.10	M&S/Bank Charges
DD	Datakom	Broadband charges 01.06.22 - 30.06.22	271.14	54.23	325.37	M&S/Broadband
DD	Datakom	Telephone maintenance contract for June 22	37.73	7.54	45.27	M&S/Equipment
BACS	One Voice Wales	New Councillor Induction	420.00	0.00	420.00	Corp/Councillor Training
DD	UK Fuels	Diesel for Cemetery Vehicle	59.80	11.96	71.76	Cemetery/Fuel
DD	BNP Paribas	Office Telecoms 07.07.22-06.10.22	384.57	76.91	461.48	M&S/Telephone
DD	Certas Energy	Fuel for use at Cemetery	1,151.99	230.40	1,382.39	Cemetery/Fuel
DD	Sage	Sage Payroll maintenance cover 01.06.22 - 30.06.22	87.20	17.44	104.64	M&S/Equipment Maint
DD	Cardiad Cool Water	19 Litre's of water for the office water cooler	51.02	10.20	61.22	M&S/Equipment
DD	Pitney Bowes	Franking machine quarterly rental & maintenace	111.19	22.24	133.43	M&S/Equipment
DD	Virgin Media	Broadband charges 09.06.22-08.07.22	32.00	6.40	38.40	Pioneer Hall/Broadband
DD	Virgin Media	Telephone charges 09.06.22-08.07.22	18.56	3.71	22.27	Pioneer Hall/Telephone
DD	Vodafone	Monthly rental of six mobile phones & calls for June 2022	112.82	21.58	134.40	M&S/Telephone
BACS	Prospero Planning Ltd	Planning officer support for May 2022	1,250.00	250.00	1,500.00	Planning/Professional Fees
BACS	Microshade VSM	Citrix hosting service & Microsoft office for June 2022	689.89	137.98	827.87	M&S/Citrix
BACS	Caer Health Services Ltd	Occupational Health telephone referral	95.00	0.00	95.00	M&S/Professional Fees
BACS	Worksafepat Ltd	Seaward Primetest 250+ PAT Tester 5th Edition	419.50	83.90	503.40	M&S/Equipment
BACS	Glamorgan Star	5x2 advert - 16th June edition	52.00	10.40	62.40	Civiv/Mayor's Advertising
BACS	Tip Top Toilets	Hire of portaloo at Porthkerry Cemetery 01.05.22-31.05.22	110.72	22.14	132.86	Porthkerry/Property Maint
BACS	Masons	Storage charge for 1 container for June 22	32.53	5.57	38.10	M&S/Property Maint

Schedule of Payments of Accounts For July 2022

<u>Chq No.</u>	<u>Supplier</u>	<u>Description</u>	<u>Net</u>	<u>Vat</u>	<u>Price (£)</u>	<u>Posted To</u>
DD	UK Fuels	Fleet Control and Insights fuel card monthly charge	1.00	0.20	1.20	Cemetery/Fuel
DD	Uk Fuels	Unleaded for cemetery vehicles	159.98	32.00	191.98	Cemetery/Fuel
DD	BT	Monthly broadband bill for June	33.45	6.69	40.14	CACC/Broadband
DD	Biffa Waste Services	Skip Rental 21.05.22-24.06.22 plus empty excess	432.23	86.45	518.68	Cemetery/Property Maint
DD	Cariad Cool Water	CM Glacier R BWC C/A Water Cooler rental charges	54.09	10.82	64.91	M&S/Equipment
DD	British Gas	Gas bill 05.05.22-13.06.22	16.16	0.80	16.96	Pioneer Hall/Gas
BACS	Teleshore	Breeze 5 litre (undiluted) solution for exhumation	70.00	14.00	84.00	Cemetery/PPE
BACS	Glamorgan Star	15x4 advert - 30th June 2022 edition	250.00	50.00	300.00	Corp/Corporate Advertising
BACS	Thomas Fattorini	Metal gilt & enamelled brooch	410.44	82.09	492.53	Civic/Civic Gifts
BACS	BLWM	Barry Youth Council Logo	150.00	0.00	150.00	Special Projects/BYC
BACS	Christopher John	Fee for reptile encounter for Family Fun Day	550.00	0.00	550.00	Corporate/Corporate Events
BACS	Memsafe	New concrete foundations, refix stone, repair joints	2,135.00	427.00	2,562.00	Cemetery/Memorial Maint
BACS	Auditing Solutions Ltd	Provision of Internal Audit service for 2021-2022 (Day 3)	460.00	92.00	552.00	M&S/Internal Audit
BACS	Deal Agricultural	Collect machine, welding repairs and return machine	205.00	41.00	246.00	Cemetery/Equipment Maint
BACS	Ran Tool Hire	Hire of Bobcat Mini Excavator 6.06.22-07.06.22	100.00	20.00	120.00	Porthkerry/Property Maint
BACS	Green Circle	20 tonne Screened Soil Grade 1	700.00	140.00	840.00	Cemetery/Property Maint
BACS	Tip Top Toilets	Hire of portaloos at Porthkerry Cemetery 01.06.22-30.06.22	107.15	21.43	128.58	Porthkerry/Property Maint
BACS	Ran Tool Hire	Hire of Micro Excavator 23.06.22-24.06.22	104.00	20.80	124.80	Cemetery/Property Maint
BACS	Ran Tool Hire	Hire of Mini Excavator 09.06.22	100.00	20.00	120.00	Porthkerry/Property Maint
DD	Screwfix	Cable Tie pack 100, Insulated Tape black	31.67	6.33	38.00	Cemetery/Property Maint
DD	British Gas	Electricity bill 21.05.22-20.06.22	71.73	3.58	75.31	Pioneer Hall/Electric
DD	British Gas	Electricity bill 22.05.22-21.06.22	110.60	5.53	116.13	Cemetery/Electric
DD	British Gas	Electricity bill 29.05.22-28.06.22	113.59	5.67	119.26	Cemetery/Electric
BACS	Employee no 0062	Reinbursement of PPE shoes	34.99	0.00	34.99	M&S/PPE
Total For This Period			42,823.44	6,798.53	49,621.97	
Total For Previous Periods			9,488.36	1,394.32	10,882.68	
Total to 19 July 2022			52,311.80	8,192.85	60,504.65	

FINANCE, POLICY & GENERAL PURPOSES COMMITTEE	19 JULY 2022	AGENDA ITEM: 8
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INTERNAL AUDIT REPORT 2021/22 (FINAL)

Report Author

Mark Sims, Deputy Chief Officer

Attached: A. Internal Audit Report 2021-22 (Year end up date)
(11 pages)

Purpose of Report

To provide members with the internal auditor's report ((Year end up date)) for 2021/22.

Background

At the Committee's previous meeting on 31 January 2022 members received the internal auditor's report (second interim) for 2021/22. Minute number F343 **RESOLVED: That the Internal Auditors Report (Second Interim) for 2021/22 be received and noted.**

Auditing Solutions Ltd attended the Council on 20 June 2022 to undertake the third and final review for the internal audit programme for 2021/22.

A copy of the internal auditor's report for 2021/22 (Year end up date) is attached for the Committee's consideration. The report provides a summary of the work undertaken at the first visit and officers are pleased to report that the internal auditor concludes "that the Council continues to maintain adequate and effective internal control arrangements."

Recommendations

1. Members are requested to receive and note the internal audit report (Year end up date) for 2021/22.
2. Re-appoint Auditing Solutions Ltd as internal auditor for 2022/23.

Barry Town Council
Cyngor Tref y Barri

Internal Audit Report 2021-22 (Year-end up-date)

Chris Hackett

Consultant Auditor
Auditing Solutions Ltd

Background

All town and community councils are required by statute to make arrangements for an independent internal audit examination of their accounting records and system of internal control and for the conclusions to be reported each year in their Annual Return.

This report sets out the work undertaken in relation to the review for the 2021-22 financial year, which took place on the 16th September 2021, 17th January and 20th June 2022 together with our preparatory work. We wish to thank the Deputy Chief Officer and Responsible Finance Officer for providing all the requested documents to facilitate our work.

Internal Audit Approach

In undertaking our audit for the year, we have again had regard to the materiality of transactions and their susceptibility to potential misrecording or misrepresentation in the year-end Statement of Accounts/Annual Return. Our programme of cover has been designed to afford appropriate assurance that the Council's financial systems remain robust and operate in a manner to ensure effective probity of transactions and to afford a reasonable probability of identifying any material errors or possible abuse of the Council's own and the national statutory regulatory framework. The programme is also designed to facilitate our completion of the 'Internal Audit Report' in the Council's Annual Return, which requires independent assurance over specified internal control objectives.

Overall Conclusion

Based on the work completed this year we have concluded that the Council continues to maintain adequate and effective internal control arrangements. Our detailed findings are set in the following section below.

We have duly signed the Internal Audit Report in the Council's Annual Return assigning positive assurance against the control objectives.

We request that this report is presented to Members.

Detailed Report

Maintenance of Accounting Records & Bank Reconciliations

The Council uses the Rialtas accounting package to record its financial activities with a single cashbook in place to reflect transactions through the Lloyds current account.

Our objective here is to ensure that the accounting records are being maintained accurately and currently and that no anomalous entries appear in the cashbook or financial ledgers. We have:

- Verified that an appropriate cost centre and nominal ledger structure remains in place to provide data for preparation of the annual Statement of Accounts;
- Confirmed that the Rialtas accounting system is in balance by running a data check at each stage of our review;
- Confirmed the arrangements for backing up the Rialtas system with the Deputy Chief Officer and Responsible Finance Officer (Deputy Chief Officer), we understand that this is done through a firm called Micro-shade;
- Checked the accuracy of the opening Trial Balance detail for 2021-22 to the closing balances at 31st March 2021 to confirm all balances had been correctly rolled forward;
- Discussed the arrangements for processing journals, manual adjustments on the Rialtas accounting package. These are done by the Deputy Chief Officer and reviewed by the Chief Officer;
- Checked and agreed three sample month's transactions (July and December 2021 and March 2022), as recorded in the current account cashbook, to the Lloyds bank statements;
- Checked and agreed the June, July, November and December 2021 and February and March 2022 month-end Lloyds bank reconciliations to ensure that no longstanding uncleared amounts or abnormal entries exist;
- Confirmed reconciliations are completed regularly and signed; and
- Confirmed arrangements for Member oversight of the bank reconciliations.

Conclusion

Based on our testing the accounts are maintained in balance and are being reconciled with no anomalous adjusting entries in the reconciliations.

We have verified the accurate disclosure of the year-end balances in the 2021/22 Annual Return.

Review of Corporate Governance

Our objective is to ensure that the Council has a robust series of corporate governance documentation in place; that Council and Committee meetings are conducted in accordance with the adopted Standing Orders and that, as far as we are able to ascertain, no actions of a potentially unlawful nature have been or are being considered for implementation.

We have completed our examination of the minutes of the Full Council and its extant Standing Committees, excluding Planning, for the financial year, 2021-22, to ensure that, as far as we are reasonably able to ascertain, no actions of a potentially unlawful manner have been taken or are under consideration by Members, although it is for the Council to seek legal assurance where it deems it necessary.

We note the Council at its annual meeting in May 2022 reviewed and re-adopted its:

- Standing orders;
- Financial regulations; and
- Scheme of delegation.

Further the Council at the same meeting resolved it was eligible to exercise the General Power of Competence as it met the criteria.

Conclusion

No matters have been identified in this area from the work undertaken.

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;
- All discounts due on goods and services supplied are identified and appropriate action taken to secure the discount;
- Relevant Standing Orders and Financial Regulations have been met in relation to formal tendering processes;
- 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 discussed controls over the processing of payments with the Deputy Chief Officer confirming that Members continue to sign coding slips and invoices and that lists of payments are presented to Council/Committee meetings for approval.

To obtain assurance in this area we have tested a sample of 45 payments in the cash book plus the regular payments for non-domestic rates. Our sample included all those payments individually in excess of £3,500, together with a more random sample of every 35th cashbook transaction (irrespective of value). Our test sample totalled £245,000 and equated to 47% of all non-pay related expenditure for the period to 31st March 2022.

Supporting information in the form of invoices or other documentation was provided for all the payments in our sample. Our sample is drawn from the Council's Cash Book and included payments for Covid-19 support grants totalling £43,853. In respect of these payments, we were provided with a summary spreadsheet showing all the individual grants. In view of the large number of individual grants we test checked a sample of these grants to approval in the Council minutes and to correspondence with the recipient organisation. In deciding our audit approach we had regard to and drew assurance from, the detailed testing done in 2020/21 on Covid grant payments.

We reviewed the Council's VAT records confirming the amount due for reclaim from HMRC at 31st March 2021 was duly reclaimed and recovered in May 2021. Further we confirmed that the funds had been received from HMRC in respect of the first three quarterly VAT reclaims for 2021/22.

Conclusion

No matters arise from our review of payments requiring recommendations.

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 those risks in order to minimise the opportunity for their coming to fruition.

We reviewed the Council's insurance policy provided by Zurich which ran to 31st March 2022, noting that cover included:

- Property insurance;
- Business interruption insurance;
- Public liability cover of £15m;
- Hirer's liability cover of £2m;
- Employer's liability cover of £10m;
- Motor vehicle insurance; and
- Fidelity guarantee cover of £1m.

At our final review we confirmed the insurance premium for 2022/23 had been paid.

We note the Council approved its annual risk assessment at its meeting in May 2022. The risk assessment was completed using the LCRS software. Risks are assessed by area including financial risks. They are assessed for impact and likelihood. Action plans are developed for more significant risks.

Conclusion

We are pleased to report that no issues arise in this area.

Precept Determination and Budgetary Control

Our objective here is to ensure that the Council has a robust procedure in place for identifying and approving its future budgetary requirements and the level of precept for the coming financial year: also, that an effective reporting and monitoring process is in place. We also aim to ensure that the Council retains appropriate funds in general and earmarked reserves to finance its ongoing spending plans, whilst retaining appropriate sums to cover any unplanned expenditure that might arise. We:

- Note the Council has a detailed and established process for setting the annual budget and precept. The draft 2022/23 budget was considered at Finance, Policy and General Purposes Committee in November 2021. The Budget went to Full Council for ‘approval for public consultation’, in December, the public consultation ended in January. We note that Members were provided with a narrative report, this considered projected 2021/22 outturn and reserves. A detailed line by line analysis of income and expenditure was provided at service level. This included also detail of one-off or special projects. We further note that the budget setting process included consideration of fees and charges. These were considered also previously at committee. The Council formally set its 2022/23 budget and precept at its meeting in February 2022;
- Note that Members have been provided with budget monitor reports during the year;
- Reviewed the draft 2021/22 accounts noting that spending for the year was £1,133,718 or £94,477 a month. At the 31st March 2022 the general fund balance was £718,595. The general fund balance is some 7.6 months spending which is within the normal range of balances for town and community councils. We note the Council has some £90,488 in earmarked reserves; and
- We reviewed overall income and expenditure for the full year at our final stage review noting and seeking explanations for variances where material.

Conclusions

No issues have been identified in this area of our work requiring formal comment or recommendation.

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 income is invoiced in a timely manner and that effective procedures are in place to pursue recovery of any outstanding monies due to the Council.

During the year we have:

- Agreed the three instalments of the 2021/22 precept, as recorded in the Council's minutes, to the amount receipted into the Council's cash book. Further, we agreed the precept received to the data independently published by the Welsh Government;
- Confirmed the Council keeps its fees and charges under review;
- Selected a sample of ten burials from the Council's electronic records and confirmed for each that a certificate of cremation/burial was held, that the fee charged agreed to the schedule of rates and that the amount due was recorded in Rialtas for recovery. We further confirmed the interments were recorded in the manual register of burials;
- Reviewed income from lettings at the Pioneer Hall and Cemetery Approach Community Building. Specifically, we selected a sample of lettings in September and October 2021 from the booking diary, checking the booking agreement and confirming the fee agreed to the scale of rates and that the income was accounted for in Rialtas;
- Reviewed the unpaid invoices report on the Council's sales ledger at each audit review stage noting there were no significant aged amounts due; and
- As previously noted, test checked three month's income from the bank to the accounting records.

Conclusion

No issues arise in this area based on our work.

Petty Cash and Charge Card Accounts

Whilst the amounts expended in this area are limited, we are required, as part of the Annual Return certification, to confirm the Council's petty cash accounting controls.

Financial Regulations allow a petty cash float of up to £500 with the requirement to retain vouchers to support payments and for reimbursements from the bank account to maintain the float being separately identified in the schedule approved by Members.

We sample checked the petty cash payments made in September 2021 to supporting vouchers and till receipts, noting VAT is separately identified. We then test checked the reimbursements recorded in the petty cash record to Rialtas. Finally, we agreed the physical cash held on the day of our first audit visit to the petty cash records.

Conclusions

No issues have been identified in this area of our work requiring formal comment or recommendation.

Salaries and Wages

In examining the Council's payroll function, we aim to confirm 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) legislation as regards the deduction and payment over of income tax and NI contributions, together with meeting the requirements of the local government pension scheme in relation to employee percentage bandings.

The Council uses the SAGE system to run its payroll with the Deputy Chief Officer maintaining the records. We have sample checked the detail of payroll transactions, specifically:

- We obtained a staff establishment list from the Deputy Chief Officer noting there were six new employees during the year. We obtained their signed contracts of employment and agreed their gross pay from the contract to the SAGE payroll records;
- Agreed the June and November SAGE payroll reports to the Rialtas cash book payments;
- Manually reperformed the calculation of tax, national insurance and pension contributions for a sample of seven staff paid in June and six staff paid in November 2021 to obtain assurance on the SAGE system;
- Confirmed that overtime records are maintained; and
- Completed our month on month trend analysis of payroll costs from the Council's cash book for the period April 2021 to March 2022 to confirm there were no unusual anomalies.

Conclusions and recommendation

The Council has arrangements for managing its payroll. We note the staff establishment list is not annually reported to the Personnel Committee as happens at many of our other clients. Reporting the staff establishment list to Members would usefully strengthen the control environment.

R1 The Council should consider reporting the overall staff establishment list to a Member Committee. Response: This has been taken to the Council's Personnel Committee.

Fixed Asset Registers

The Governance and Accountability Manual requires all Councils to maintain a record of all assets owned.

We have checked the Council's asset register noting that it shows assets at cost for reporting in the Annual Return and that it shows also depreciation and Net Book Value for management purposes, further that it analyses land and buildings, vehicles and equipment and infrastructure and community assets.

We have agreed fixed asset additions for the year as reported in the fixed asset register to the capital expenditure reported in the Council's accounts. Finally, we agreed the fixed asset register to the amount reported in box 12 of the Annual Return.

Conclusion

There are no issues arising in this area to warrant formal comment or recommendation.

Investments and 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 appropriate loan agreements. During the year we have:

- Tested the balance recorded in Rialtas on the Council's CCLA account to the third-party statement dated 31st December 2021 (at interim) and 31st March 2022; and
- Confirmed the instalment repayments of PWLB loans in 2021/22 to the demand notifications from the Government's Debt Management Office and agreed the year-end balance reported in the Statement of Accounts/Annual Return to the PWLB statement at 31st March 2022.

Conclusion

There are no issues arising in this area based on our work requiring recommendations, although the Council may wish to consider diversifying its investments as it carry a large balance in the current account, £644,249 at 31st March 2022.

Statement of Accounts and Annual Return

The Annual Return provides the Council's statutory Statement of Accounts subject to external audit certification. We note also that more detailed Accounts and Supplementary Notes have

been prepared by the Council's Deputy Chief Officer (Responsible Finance Officer) for presentation to Members in order to further inform them of the underlying financial performance of the Council and provide comparative information with the previous year.

We have checked and agreed the detail therein from the underlying Rialtas software and other documentation provided and are pleased to note there were no issues identified and we have verified the data provided for transposition into the Annual Return.

Conclusions

There are no issues arising in this area to warrant formal comment or recommendation and as noted in the preamble to this report, we have signed off the Internal Audit Report within the Annual Return, assigning positive assurances in all relevant areas.

Rec. No.	Recommendations made during the Interim Audit	Response
Salaries and Wages		
R1	The Council should consider reporting the overall staff establishment list to a Member Committee.	<i>This has been taken to the Council's Personnel Committee.</i>

To: Chairs and Clerks of Community and Town Councils

Dear Chair and Clerk

We are delighted to announce the publication of *The Finance & Governance Toolkit for Community and Town Councils* and encourage you to use this practical tool with your council. The toolkit is attached to this letter and can also be accessed through the websites of One Voice Wales and the Society of Local Council Clerks.

Jointly developed by One Voice Wales, the Society of Local Council Clerks and Welsh Government, supported by commentary from Audit Wales, the toolkit has been designed to support all councils to meet their statutory responsibilities, have strong financial management and governance, and to deliver the best outcomes for your communities.

The toolkit will support your council to:

- review the financial management, governance and accountability arrangements you have in place; and
- consider how effective these arrangements are, and how they might be improved.

It will highlight what you are doing well and give you peace of mind. It will also help you to identify where improvements need to be made and guide you with information on what needs to be done, so you can best focus your time and resources.

The toolkit is made up of two parts:-

Part 1 – The health check – practical and easy to use. This would 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 are in place.

Part 2 – The self-assessment – enabling councillors to reflect more deeply on how the council is operating, managing its finances and governing itself. The questions will help the council think through how it is working for, and with, the local community to achieve the greatest impact for their area.

The toolkit contains links to a comprehensive set of training, guidance and support that can be drawn upon to address any areas for improvement. While this is not an audit tool, it will help you assess whether your council is meeting certain statutory requirements that external auditors and the public would expect to see.

The toolkit has been designed to be used flexibly, your council can choose where to prioritise attention and split the toolkit into 'bite-size chunks' that are manageable for you and your council to work through to suit your needs and priorities.

We strongly encourage you to use this toolkit with your councils. What better time than now, at the beginning of a new term of office? You may, for example, find the 'Vision, purpose and community planning' theme in the toolkit an excellent place to start discussions as a new team.

Other resources are available to support you on our websites: a frequently asked questions document and a 'quick start' guide to give you all the information you need to help you start using the toolkit immediately.

Please let us know your experience of using the toolkit in practice as we are keen to continue to refine the toolkit. Please also take the opportunity to discuss this toolkit amongst your networks, share your experience and learn from others.

Yours faithfully,



Lyn Cadwallader
Chief Executive One Voice Wales

Yours faithfully,



Rob Smith
Chief Executive SLCC

SLCC
For Local Council Professionals

The Finance & Governance Toolkit for Community and Town Councils

June 2022

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Introduction

Developed jointly by One Voice Wales, the Society of Local Council Clerks (SLCC) and Welsh Government, with commentary from Audit Wales, this toolkit aims to support community and town councils in Wales to:

- review the financial management, governance and accountability arrangements they have in place; and
- consider how effective these arrangements are, and how they might be improved.

Community and town councils are an integral part of local government; democratically elected and working at the most local level to improve their communities.

Community and town councils are also responsible, and accountable, for the conduct of public business and for spending public money. By law, councils need to ensure they safeguard, properly account for, and use the public money they have been entrusted with economically, efficiently and effectively.

All councils are expected to have high standards of stewardship – this begins with compliance with legal requirements, but over and above this it is about achieving the best outcomes for the people and communities you serve.

Self-assessment is a way of critically, and honestly, reviewing the current position to make decisions on how to secure improvement for the future. Using this toolkit will help ensure your council has the capability and capacity to properly serve your community, enabling you to identify and act on opportunities to improve the way your council works, and ensure you deliver the best outcomes for your communities.

This is not an audit tool, but it will help you assess whether your council is meeting certain statutory requirements that external auditors and the public would expect to see. It is about providing assurance that the council is operating effectively. It can be used to support your internal controls and can help identify ways your council can continuously improve and positively impact on your community.

This toolkit has been endorsed by One Voice Wales and SLCC who would strongly encourage councils to use it. While you are not required to formally report the findings of your self-assessment, you may wish to publish a summary of the findings, and the actions you intend to take in response, on your website and / or in your annual report. Doing so would represent a commitment to being open and transparent with the communities you serve.

How to use the toolkit

The toolkit is made up of two parts:-

- **Part 1: The health check**

The 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.

- **Part 2: The self-assessment**

The self-assessment will enable councillors to use the findings from Part 1, and other forms of evidence available, to **reflect more deeply on how the council is operating, managing its finances and governing itself**. The questions will support consideration of what arrangements the council has in place, **and importantly how the council is working for and with the local community to achieve the greatest impact on the well-being of its area**. This element of the toolkit also contains details of a range of resources that can be drawn upon to inform action planning to respond to the findings of both the health check and self-assessment.

Both components of the toolkit cover five key areas of community and town council activity:-

- Vision, purpose and community planning
- Leadership and people
- Community engagement and partnerships
- Business processes
- Resources and financial management

Part 2, the self-assessment, also has an additional theme called evaluating impact, which will enable the council to reflect on the benefit it brings to the community to inform its future work.

How you and your council use the toolkit is up to you. You can **complete the whole toolkit in a single exercise on an annual cycle, or you may wish to spread this out over weeks and months** – although it is encouraged that you keep any work current and relevant.

The toolkit is designed to be used flexibly, enabling your council to decide where to focus its attention. For example, the council may choose to complete the entire health check first and use that to inform the consideration of the more in-depth self-assessment; or the council could decide to look at a specific theme in both the health check and the self-assessment in parallel before moving on to the next theme.

Councils are encouraged to approach completing the toolkit honestly and objectively. Doing so will help you understand areas which are working well and areas where improvements are needed.

Taking action following completion of the toolkit

Through the health check and self-assessment parts of the toolkit, the council will identify areas for action to strengthen its governance and financial management arrangements. Completing the toolkit should be considered the start of the process, not an end in itself. The conclusions from the health check and self-assessment should inform a plan for action to be taken and the council should be proactive in implementing this.

There are places for the council to record proposed key actions in the toolkit itself, as well as many helpful resources which can assist in taking action on the findings from the health check and the self-assessment.

The council should keep their findings under review and repeat periodically. The council may wish to include as a standard agenda item for the annual meeting or the meeting in June held to approve the annual governance statement, or perhaps include on its project plan for the year ahead.

The conclusions reached following the completion of the toolkit will also inform other aspects of the council's work. For example:-

Annual reports

Completing this toolkit will support preparation of the council's annual report as required by section 52 of the [Local Government and Elections \(Wales\) Act 2021](#). Annual reports set out the council's priorities, activities and achievements during the year, and the toolkit will naturally assist the council in reviewing these points, as well as thinking ahead to future priorities.

Training plans

Community and town councils have a duty under section 67 of the [Local Government and Elections \(Wales\) Act 2021](#) to consider training for councillors and community council staff from 5 May 2022, publish their first council training plans by 5 November 2022 and make a new training plan no later than three months after each subsequent ordinary local government election. It is not the intention to ensure that each and every councillor necessarily receives training on the same subjects but to seek to bring about a situation where the councillors as a group, and the staff collectively, possess the knowledge, skills and awareness they need to operate effectively. Completing this toolkit will support the council in considering what training should be prioritised to ensure it has effective governance and financial management in place.

[Annual Governance Statement](#)

Completing the toolkit will be helpful to the council in completing its annual governance statement and return for submission to the Auditor General for Wales.

[General power of competence](#)

Part 2 of the [Local Government and Elections \(Wales\) Act 2021](#) makes provision for eligible community and town councils to exercise a general power of competence, with the aim of bringing about more effective, capable and innovative local government. The general power will allow eligible councils to act in their communities' best interests, generate efficiencies and secure value for money outcomes. They will also be able to raise money by charging for discretionary services and to trade.

The conditions which community councils must meet to be able to resolve themselves an 'eligible community council' are:

- at least two-thirds of the total number of members of the council have been declared to be elected whether at an ordinary election or at a by-election;
- the clerk to the council holds such qualification or description of qualification as may be specified by the Welsh Ministers by regulations; and
- the council satisfies the audit condition.

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		Having a clear vision and purpose agreed by all members will help your council in achieving for its community.	
A.2 The council has prepared and published a biodiversity plan		<p>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.</p> <p>See Environment (Wales) Act 2016 Part 1: Guidance for Section 6 – the Biodiversity and Resilience of Ecosystems Duty Frequently Asked Questions</p>	

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		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.	
A.4 The council has prepared an annual report		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.	

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

Summary of actions	By who	By when
•	•	•

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
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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		The Code of Conduct for members of local authorities in Wales: Guidance from the Public Services Ombudsman for Wales 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		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.	

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			
B.4 All councillors have a council email address or a separate email address for council business			
B.5 All councillors have received training on their role and training needs are regularly reviewed		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.	
B.6 All payments to councillors are made in line with the levels set out by the Independent Remuneration Panel for Wales		The Independent Remuneration Panel for Wales Annual report and guidance on payments to elected members is available on its website.	
B.7 A statement of payments to councillors is published by 30 September each year detailing payments		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	

Theme B – Leadership and people			
Statement	In place (Yes/No)	Further information	Comments and actions
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		See ACAS – What an employment contract is One Voice Wales and SLCC have model contracts of employment for clerks which are available to members.	
B.9 All employees have an up-to-date job description		One Voice Wales and SLCC can provide guidance to member councils in relation to the preparation of a job description and person specification.	
B.10 Any changes to terms and conditions, including salary increments, are recorded and approved by the council		Councils must ensure that all changes to terms and conditions are properly approved and recorded.	
B.11 All staff have been given a copy of the employee code of conduct		The Code of Conduct (Qualifying Local Government Employees) (Wales) Order 2001	
B.12 The council has core employment policies in place, for example:-		One Voice Wales and SLCC can provide member councils with a suite of policies and procedures.	

Theme B – Leadership and people

Statement	In place (Yes/No)	Further information	Comments and actions
<ul style="list-style-type: none"> • 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 • Maternity Leave Policy • Member / Officer Relations Protocol • Recruitment Procedure 		<p>The ACAS website also contains a range of model policies and procedures</p>	

Theme B – Leadership and people			
Statement	In place (Yes/No)	Further information	Comments and actions
<ul style="list-style-type: none"> • 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		<p>All councils must operate PAYE unless no staff:-</p> <ul style="list-style-type: none"> • earn above the lower national insurance threshold; and • have any other source of income. <p>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.</p> <p>See GOV.UK PAYE and payroll for employers</p>	

Theme B – Leadership and people			
Statement	In place (Yes/No)	Further information	Comments and actions
B.14 All overtime payments are paid through the normal payroll process and subject to PAYE		All additions to salary must be subject to PAYE	
B.15 Any additional allowances paid to staff are subject to tax where appropriate		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		See The Pensions Regulator website	
The council gives its staff the resources and support to carry out their role			
B.17 All staff have received appropriate training for their role		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		Council staff should not use personal email addresses for council communications, or save council documents to personal computers, for reasons of information security.	

Theme B – Leadership and people – Summary of actions

Summary of actions	By who	By when
•	•	•

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
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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		A community engagement strategy sets out how the council will understand its community, involve the community in their work and communicate with their electors.	
C.2 The community engagement strategy is reviewed periodically			
C.3 The council complies with the requirements of the		The council is expected to treat the Welsh language reasonably and proportionately in its dealing with the public.	

Theme C – Community engagement and partnerships			
Statement	In place (Yes/No)	Further information	Comments and actions
Welsh Language (Wales) Measure 2011		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			
The council communicates with its partners and community			
C.5 The council has an electronic presence / website		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 a) Information on how to contact it and, if different, its clerk including— • a telephone number		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	

Theme C – Community engagement and partnerships

Statement	In place (Yes/No)	Further information	Comments and actions
<ul style="list-style-type: none"> • a postal address • an email address <p>b) information about each of its members, including—</p> <ul style="list-style-type: none"> • the member’s name • how the member may be contacted • 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 <p>c) the minutes of the proceedings of the council’s meetings and (in so far as is reasonably practicable) any documents which</p>		<p>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).</p>	

Theme C – Community engagement and partnerships			
Statement	In place (Yes/No)	Further information	Comments and actions
are referred to in the minutes d) any audited statement of the council's accounts			
C.7 The council has a social media policy published on its website			
C.8 The council has an agreed process for handling complaints which is published on its website		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	

Theme C – Community engagements and partnerships – Summary of actions

Summary of actions	By who	By when
•	•	•

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
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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		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 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	

Theme D – Business processes			
Statement	In place (Yes/No)	Further information	Comments and actions
		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).	
D.2 Councillors' declarations of personal and prejudicial interests are recorded in the minutes and published on a separate rolling register on its website		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		Having an annual cycle of council and committee meetings in place to expedite business arrangements supports local democracy and demonstrates transparency and public accountability.	
D.4 The council holds an annual meeting in May		See Local Government Act 1972, Schedule 12, Part IV, section 23	

Theme D – Business processes			
Statement	In place (Yes/No)	Further information	Comments and actions
		<p>Note also the duty to hold an annual meeting within 14 days of an ordinary election of community councillors.</p> <p>The chairman should sign a declaration of acceptance of office.</p>	
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 published on the council's website		See Local Government Act 1972 section 101	
D.6 The council publishes all agendas and supporting background papers on its website at least three clear days before the meeting.		See Local Government Act 1972, Schedule 12, Part IV, section 26	
D.7 Councillors are served with a summons and receive copies of agenda papers and draft minutes at least three		See Local Government Act 1972, Schedule 12, Part IV, section 26	

Theme D – Business processes			
Statement	In place (Yes/No)	Further information	Comments and actions
clear days before the meeting			
D.8 Members of the press and public are permitted access to council meetings and are supplied with copies of the agenda papers		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	
D.9 The council publishes all council / committee / subcommittee minutes on its website		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		See Local Government and Elections (Wales) Act 2021 section 47 and chapter 2 of The	

Theme D – Business processes			
Statement	In place (Yes/No)	Further information	Comments and actions
arrangements for multi-location attendance at community and town council meetings		Local Government and Elections (Wales) Act 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		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		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 .	
D.13 The council produces and approves an annual business plan			
D.14 The council has a freedom of information publication scheme		The council must have documentation in place in order to comply with the Freedom of Information Act 2000 – Duty to have a publication scheme	

Theme D – Business processes			
Statement	In place (Yes/No)	Further information	Comments and actions
		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.		<p>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.</p> <p>The Information Commissioner's Office has a checklist to help comply with data protection responsibilities</p> <p>The Information Commissioner has produced a checklist 'How secure is your personal data?'</p>	
D.16 The council has completed and met the requirements of the Information Commissioner's data protection self-assessment checklist for organisations		A Data protection self-assessment is available on the Information Commissioner's Office website.	
D.17 The council has a current IT Information			

Theme D – Business processes			
Statement	In place (Yes/No)	Further information	Comments and actions
Security Policy, which has been issued to councillors and staff			
D.18 The council has a suite of privacy notices published on its website, email communications and other forms of client correspondence		Model policies and privacy notices available to members from One Voice Wales and the SLCC.	
D.19 The council has performed a data audit to assess what information it holds			
D.20 The council has a document retention policy published on its website			
D.21 The council periodically purges information which it no longer needs to keep			
D.22 The council keeps information disposal records			
D.23 The council has published an accessibility statement on its website and		See The Public Sector (Websites and Mobile Applications) Accessibility Regulations 2018	

Theme D – Business processes			
Statement	In place (Yes/No)	Further information	Comments and actions
undertakes periodic reviews to ensure that the website remains compliant		See Understanding accessibility requirements for public sector bodies	
D.24 The council has a business continuity plan to help it continue to function should it encounter loss or damage to property		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			
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		Employers must: Provide a safe working environment for employees and all other persons affected by	

Theme D – Business processes			
Statement	In place (Yes/No)	Further information	Comments and actions
and associated procedures		<p>its actions, including contractors and members of the public.</p> <p>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.</p> <p>See Health and Safety Executive website</p>	
D.27 There is an annual budget in place to meet health and safety requirements			
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			
D.29 The council has developed internal			

Theme D – Business processes			
Statement	In place (Yes/No)	Further information	Comments and actions
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			
D.30 The council has an accident report book and related investigation procedures			
D.31 The council has a stress management policy			
D.32 The council has a stress risk assessment			
D.33 The council facilitates and controls community events and has an events management plan to consistently regulate event activities safely			

Theme D – Business processes			
Statement	In place (Yes/No)	Further information	Comments and actions
The council understands how to manage its assets and facilities			
D.34 The council maintains a register of its assets		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		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		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. Welsh Government guidance - Borrowing approvals: guidance for community and town councils	
D.37 The council has adequate insurance cover to protect employees, buildings,		Insurance must be in place to cover employees, members of the public, all buildings, contents and events.	

Theme D – Business processes			
Statement	In place (Yes/No)	Further information	Comments and actions
other property, cash and members of the public.		<p>Insurance documents should be circulated and approved by full council.</p> <p>Certificates of insurance must be displayed in a prominent position at all council premises.</p>	

Theme D – Business processes – Summary of actions

Summary of actions	By who	By when
•	•	•

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
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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		<p>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.</p> <p>See chapter 4 of Governance and Accountability for Local Councils in Wales – A Practitioners Guide for further guidance.</p>	

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		Accounts and Audit (Wales) Regulations 2014 - regulation 6 requires the Council's accounting records to: <ul style="list-style-type: none"> (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— <ul style="list-style-type: none"> (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 made, or to be made, by it for contribution, grant or subsidy. 	
E.3 The council has clearly documented accounting procedures including any segregation of duties and a schedule of key records		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—	

Theme E – Resources and financial management

Statement	In place (Yes/No)	Further information	Comments
		(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 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		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)	

Theme E – Resources and financial management			
Statement	In place (Yes/No)	Further information	Comments
E.5 There are documented arrangements for transfer of documents on change of responsible financial officer		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 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		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		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.	
E.8 The approval of the Annual Return is a set		See The Accounts and Audit (Wales) Regulations 2014, regulation 15	

Theme E – Resources and financial management			
Statement	In place (Yes/No)	Further information	Comments
agenda item on the council meeting schedule to be approved by 30 June		<p>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.</p> <p>Members must receive the full annual return 3 days before the meeting.</p> <p>The Accounts and Audit (Wales) Regulations 2014 requires that the council as a whole approve the accounting statements (contained in the Annual Return)</p>	
E.9 Councillors receive appropriate evidence to support the governance assertions made in the annual governance statement as included in the annual return		Councils should not approve the annual return until they are satisfied that the 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		See Governance and Accountability for Local Councils in Wales – A practitioners guide (2019 Edition) chapter 9 for guidance	

Theme E – Resources and financial management			
Statement	In place (Yes/No)	Further information	Comments
		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 reference are approved by the council		See Governance and Accountability for Local Councils in Wales – A practitioners guide (2019 Edition) – chapter 11 and appendix 2	
E.12 The effectiveness of internal audit is reviewed at least once in each year		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			
E.14 The rights of the public in relation to the accounts are		See Accounts and Audit (Wales) Regulations 2014 – regulation 17	

Theme E – Resources and financial management			
Statement	In place (Yes/No)	Further information	Comments
advertised at the appropriate times			
E.15 The council allows inspection of the annual return or statement of accounts and the supporting accounting records and other documents once the statement of accounts has been approved by the council		See Accounts and Audit (Wales) Regulations 2014 – regulation 17	
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		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		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		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 See Governance and Accountability for Local Councils in Wales – A practitioners guide (2019 Edition) – chapter 6	
E.19 The budget and the precept requirement are approved by the council			
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 detailed explanations of the differences		Regular monitoring of income and expenditure can help councils to identify financial issues before they become problems.	
E.21 The council receives and reviews periodic		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	

Theme E – Resources and financial management			
Statement	In place (Yes/No)	Further information	Comments
(monthly/quarterly) bank reconciliations		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		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.	
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		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,		Local Government Act 1972 section 135 requires all councils to make standing orders covering contracts for the supply of	

Theme E – Resources and financial management			
Statement	In place (Yes/No)	Further information	Comments
materials, works and services		<p>goods, materials and the execution of works.</p> <p>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.</p> <p>One Voice Wales and SLCC can provide model standing orders to members.</p>	
E.25 The council reviews procurement thresholds in its standing orders and financial regulations to ensure they remain relevant		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			
E.27 Exemptions to the standing orders / financial regulations are		Standing orders / financial regulations must be followed as a matter of course, any exceptions are expected to be rare and the	

Theme E – Resources and financial management			
Statement	In place (Yes/No)	Further information	Comments
only applied in exceptional circumstances		reasons for departure should be documented / recorded in the minutes of the council.	
E.28 Documented procedures are in place for making payments to third parties and employees		The council should have clearly documented procedures for authorising and making payments. This is required to ensure: <ul style="list-style-type: none"> • 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		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		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		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		<p>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.</p> <p>Note - Once a council resolves itself an eligible community council, section 137 of the Local Government Act 1972 no longer 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.</p>	
E.33 Before making a decision to award a grant for financial		Section 137 of the Local Government Act 1972 requires that the financial assistance	

Theme E – Resources and financial management			
Statement	In place (Yes/No)	Further information	Comments
assistance, the council considers if the grant awarded is commensurate with the benefit that will be accrued to the community		<p>awarded is commensurate with the benefit accrued to the community.</p> <p>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</p>	
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		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		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
•	•	•

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

Summary of key actions	By who	By when
<ul style="list-style-type: none">•	<ul style="list-style-type: none">•	<ul style="list-style-type: none">•

Part 2: The self-assessment

Introduction and how to use

The self-assessment is the **councillor-led** part of the toolkit. The self-assessment consists of six themes, the first five of which are the same as the themes contained in Part 1 – The health check:-

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

Each theme contains one or more overarching governance statements that reflect the characteristics of effective governance of a community or town council. The **council should consider how it is operating in relation to each of the statements**, and is **supported to reach conclusions by a series of probing questions and examples of evidence** that it may wish to consider.

Each overarching statement is followed by:-

- **Questions to consider** - these will help you and your council understand and reflect on how the council is operating and where there is a need or opportunity to strengthen this area of your work.
- **Examples of evidence to review to inform assessment** - this contains suggestions of things that are likely to already be available to the council, and which may be helpful to you in reaching conclusions on how the council is operating in relation to the overarching statement. These are suggestions only and you should consider reviewing any evidence that you think will help inform your assessment. The completed Part 1 – The health check will also be a key piece of evidence to review as you think through the self-assessment questions.
- **Further information** – this section explains a little more about councils' responsibilities in relation to the theme / overarching statement, and contains sources of additional guidance, support and training to help bring about change or improvements to your working arrangements and processes. Click on any underlined text in the further information column to access additional resources.
- **Commentary** – this is space for your council to summarise its conclusions in relation to the overarching statement and questions.

- **Actions** – this is space for your council to record the actions it will take as a result of the assessment in relation to each overarching statement.

We suggest that the following steps are taken when using this part of the toolkit:-

- 1) Councillors review the self-assessment and form their own views on how the council is operating in relation to each of the themes and statements.
- 2) Councillors meet as a task and finish group or working group to compare their thoughts and arrive at an agreed view which can be summarised in the **commentary** box provided under each statement.
- 3) Based on the conclusions reached in the commentary box, record **actions** that the council proposes to take to develop, or further develop, in that area.
- 4) The summary of findings and proposed action may then be **discussed and agreed in a full council meeting**.

Your council may decide to complete all of the health check first and then all of the self-assessment, or you may choose to complete a theme in both the health check and the self-assessment in parallel before moving on to the next theme.

There is space at the end of the self-assessment to [summarise the key actions to be taken as a result of Part 2 – The self-assessment](#) 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.

The council has a clear vision and plan for its community

Questions to consider

- Does the council have a plan for realising its vision and purpose?
- How are you involving the whole community in developing that plan?
- How does the council plan take account of its statutory obligations and functions?
- How does the council keep its plan under regular review?
- How does the council apply its vision when considering planning matters relating to the community?

Examples of evidence to review to inform assessment

- Documented vision, purpose and values statements
- Community planning tools
- Public consultation events and surveys
- Press releases and articles
- Statutory reports as appropriate for example:
 - Annual report on progress in meeting objectives contained in the local well-being plan
 - Published biodiversity plan and report
 - Annual report as required by Local Government and Elections (Wales) Act 2021

Further information

Regardless of its size, having a vision and purpose agreed by all members will help your council in achieving for its community. An agreed vision and purpose will provide a clear focus for decision-making on how to utilise the budget and resources available to deliver the outcomes that the people in the community want to see.

Involving the community in developing vision and purpose statements and the business plan ensures that the council can identify and act on the wants and needs of the community it has been elected to serve.

The council's business plan should reflect the agreed vision and purpose, provide an overall framework to focus the council's actions, and create the budget that determines the precept.

The values of the council will guide all aspects of its work and activities in terms of principle and practice. Councils can research the values adopted by other councils, normally displayed on their websites, and One Voice Wales can also supply examples to member councils to assist them in developing their own.

In considering what services to deliver, or what activities to support, councils should also take account of the assessment of local well-being for their area and the objectives contained within the local well-being plan. While only some community and town councils will be under a duty to take reasonable steps towards meeting those objectives, all councils have an important role to play in improving the well-being of their area and in doing so contribute towards improving the social, economic, environmental and cultural well-being of Wales. Councils may find it helpful to use the five ways of working set out in the Well-being of Future Generations Act to guide their planning and decision making – long term, prevention, integration, collaboration and involvement. More detail on the ways of working can be found in [Well-being of Future Generations \(Wales\) Act 2015: the essentials](#)

The council should keep its plan under regular review to ensure it remains up-to-date and relevant.

Relevant statutory obligations

[Local Government and Elections \(Wales\) Act 2021, Section 52](#) – From April 2022 community and town councils have a duty to prepare and publish an annual report, as soon as reasonably practicable after the end of each financial year, about the council's priorities, activities and achievements. Councils must have regard to [guidance](#) about annual reports issued by Welsh Ministers. [See Part 3,](#)

[Chapter 5 of the Local Government and Elections \(Wales\) Act 2021.](#)

[Well-being of Future Generations \(Wales\) Act 2015](#) - The Act places a duty on certain community and town councils to take all reasonable steps towards meeting the local 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. If a community or town council is subject to the duty, it must publish a report annually detailing its progress in meeting the objectives contained in the local well-being plan. Community or town councils which do not meet the criteria for being subject to the duty in section 40(1) of the Act but which still wish to contribute towards meeting the local objectives in the local well-being plan are welcome to do so on a voluntary basis.

[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 also: [Environment \(Wales\) Act 2016 Factsheet: Biodiversity and Resilience of Ecosystems Duty](#); [Environment \(Wales\) Act 2016 Part 1: Guidance for Section 6 – the Biodiversity and Resilience of Ecosystems Duty Frequently Asked Questions](#); [The Section 6 Biodiversity and Resilience of Ecosystems Duty: reporting template](#) and [The Section 6 Biodiversity and Resilience of Ecosystems Duty: example reporting template](#).

Community councils are able to decide whether to prepare one composite annual report covering the reporting duties in the Local Government and Elections (Wales) Act 2021, the Well-being of Future Generations (Wales) Act 2015 and the Environment (Wales) Act 2016, or to produce three individual reports.

Resources and training

One Voice Wales has guidance on business planning and examples of business plans which are available to members. Researching the work of other councils can also be helpful in supporting the council to develop its own plan.

The [Understanding Welsh Places](#) website contains data and geographical information about local areas to help you identify opportunities for your community.

[Planning Aid Wales](#) provide planning training and guidance, community engagement tools and techniques including specific place plan support.

[Shape my town](#) – this is a practical toolkit to inspire local people to play a part in shaping their built environment

[Well-being of Future Generations \(Wales\) Act 2015: the essentials](#) – sets out the seven well-being goals and the ways of working to go about achieving the goals.

[Shared Purpose: Shared Future. Statutory guidance on the Well-being of Future Generations \(Wales\) Act 2015 – SPSF 4: Collective role \(Community councils\)](#) – guidance for community and town councils on their role in local well-being plans.

Commentary

Actions

We will:

-

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.

The council provides leadership to its members and staff
<p>Questions to consider</p> <ul style="list-style-type: none">• Do all councillors understand their obligations to ensure effective governance of the council?• How do you ensure all members are trained in all aspects of their role?• How do you ensure all members are suitably resourced to carry out their role?• How do members and staff engage with recognised sector representative bodies (i.e. One Voice Wales and SLCC) to share and learn from good practice?
<p>Examples of evidence to review to inform assessment</p> <ul style="list-style-type: none">• Vision, purpose and values statements• Declaration of acceptance of office• Standing orders• Code of conduct• Arrangements for discharge of functions• Records of attendance at council meetings• Evidence of councillor training needs analysis and training undertaken

- Training plan
- Membership of One Voice Wales and the Society of Local Council Clerks

Further information

Responsibilities for effective governance

A formal declaration of acceptance of office must be signed before an individual is able to act as a member of a community or town council. This includes an undertaking to observe the code of conduct adopted by the council. All councillors should adhere to and model appropriate behaviours and standards in line with expectations of those taking up elected office.

Resources and training

[The Code of Conduct for members of local authorities in Wales: Guidance from the Public Services Ombudsman for Wales](#)

[Model Code of Conduct](#)

[Video –Councillors’ Guide to the role of the Public Services Ombudsman for Wales – The Members’ Code of Conduct](#)

One Voice Wales online training (free to all councillors) [The code of conduct for community and town councillors](#)

One Voice Wales training module ‘*The Councillor*’ covers a range of issues relevant to councillors’ responsibilities including code of conduct and ethical behaviour. A specific training module on ‘Code of conduct’ is also available. Contact One Voice Wales for further information.

[The good councillor’s guide for community and town councillors](#)

Councillor training

A good community council is committed to ongoing training and development, for both councillors and staff. A National Training Strategy is currently under review.

[Section 67 of the Local Government and Elections \(Wales\) Act 2021](#) requires community and town councils to make and publish a plan about the training provision for its members and staff. The training plan should reflect on, and address whether the council collectively has the skills and knowledge it needs to deliver its plans most effectively. The first training plan must be published by 5 November 2022, six months after the duty comes into force. The training plan must be reviewed no later than three months after an ordinary election of community councillors. Statutory guidance has been published about the duty to make and publish training plans see Chapter 5 of [The Local Government and Elections \(Wales\) Act 2021: Statutory Guidance for Community and Town Councils](#)

Information on any current bursaries for councillors to undertake relevant training may be found on the One Voice Wales website.

Councillor remuneration

The Independent Remuneration Panel for Wales is the independent body responsible for determining payments to elected members of community and town councils in Wales. The Panel produces a report every year setting out the type and level of payments that may be made. It is the duty of the proper officer of a council (usually the clerk) to arrange for correct payments to be made to all individuals entitled to receive them.

[The Independent Remuneration Panel for Wales Annual report and guidance on payments to elected members](#)

Sector bodies

Councils are encouraged to be in membership of One Voice Wales and the Society of Local Council Clerks. Contact [One Voice Wales](#) and [SLCC](#) for details. One Voice Wales Area Committees and One Voice Wales and SLCC conferences and training events provide opportunities to learn about developments in other councils as well as share their own good practice. Consideration could also be given to submitting applications for the One Voice Wales annual awards scheme. In the case of 'larger' councils, they should consider taking a full part in the Larger Councils' meetings.

Commentary

Actions

We will:

-

The council carries out its employment duties

Questions to consider

- Do all councillors understand their responsibilities as an employer?
- Does the council have a human resources/personnel committee to deal with staffing matters?
- Do all staff understand their obligations under the national employee code of conduct?
- How does the council review whether staff are remunerated appropriately?
- How does the council ensure open and fair competition for all vacancies?
- What arrangements are in place to enable employees to communicate with their line management and for appraisal?
- What processes are in place to resolve both internal disputes / grievances and potential external complaints about council members and staff?

Examples of evidence to review to inform assessment

- Evidence of applying current employment law
- Evidence of signed contracts and policies which are referenced in contracts of employment and which are fully aligned to the National Pay and Conditions Agreement for Clerks
- Pay policy
- Job descriptions
- Employee Handbook
- Appraisal scheme and evidence of appraisals completed
- Minutes of full council and HR committee meetings
- Financial records recording appropriate deductions from gross pay calculations
- Grievance and complaints procedure

Further information

The council must act at all times as a responsible employer and must ensure it complies with employment law. All staff must have a contract of employment incorporating terms and conditions and supported by appropriate employment policies.

The council must approve the remuneration payable to all staff in advance. Councils should consider using an effective benchmarking tool for determining salaries of their employees, ensuring appropriate hours are agreed for each role. In the case of clerks/deputies and assistants the national job evaluation and pay scales would be appropriate.

When councils with several employees wish to change job roles and staffing structures they should be mindful of the processes involved in varying contracts.

It is essential that effective line management arrangements are in place for all employees. In the case of smaller councils, perhaps with a single part-time clerk, consideration should be given to arrangements for the day-to-day routine management of the clerk and a reporting mechanism to the council via a human resources / personnel committee.

It is important that members and officers are trained in the use of employee appraisal and there is a suitable scheme in place which is understood by the council and employees.

The code of conduct for qualifying employees of relevant authorities in Wales sets out the conduct expected of employees of a community council. This sets out as a general principle that the public is entitled to expect the highest standards of conduct from employees of a community and town council and notes that in performing their duties they must act with integrity, honesty, impartiality and objectivity. The code of conduct also covers:-

- Accountability
- Political neutrality
- Relations with members, the public and other employees
- Equality
- Stewardship
- Personal interest
- Whistleblowing
- Treatment of information
- Appointment of staff

- Investigations by monitoring officers

Resources and training

Employment policy support is available through One Voice Wales and SLCC, including model terms and conditions of service and model policies.

[ACAS has a range of advice, templates and training available on its website to support both employers and employees](#)

[The Code of Conduct \(Qualifying Local Government Employees\) \(Wales\) Order 2001](#)

The National Agreement on Salaries and Conditions of Service of Local Council Clerks in England and Wales 2004 - This publication covers the salaries and conditions of service of full-time and part-time Clerks and other officers of Town, Parish and Community Councils. The National Agreement can be found on the [One Voice Wales website](#)

One Voice Wales have sent a model pay policy to all councils.

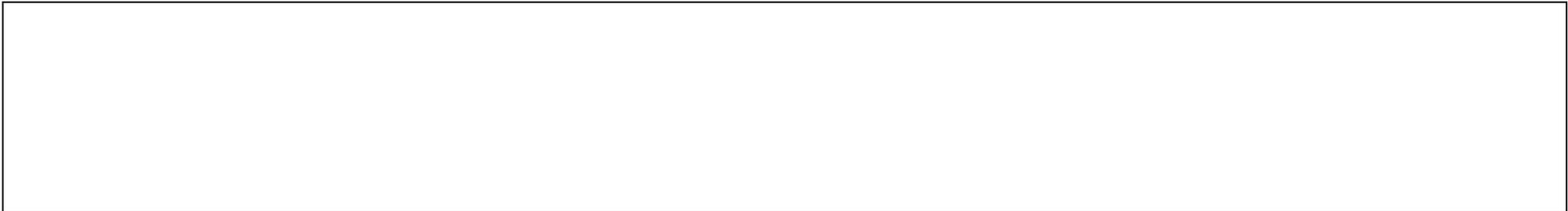
One Voice Wales have a training module on 'The Council as an Employer' which covers a range of areas including contracts of employment, role and person specifications, discipline and grievance, and health and safety. A short [e-learning module](#) is also available on the One Voice Wales website and is free of charge to all councillors as an introduction to this area.

Commentary

Actions

We will:

-



The council gives its staff the resources and support to carry out their role

Questions to consider

- How does the council encourage continuous professional development of its employees?
- How does the council ensure all staff are trained in all aspects of their role?
- How does the council ensure it provides all necessary facilities and equipment for those working from the office or at home?
- Are there appropriate policies and processes in place to manage the health, safety and welfare of the council's employees? How do you ensure these are followed?

Examples of evidence to review to inform assessment

- Training policy and plan
- Training budget
- Dignity at work policy
- Member/officer working protocol
- Equality and diversity policy
- Risk assessments
- Evidence of a process of establishing and reviewing individual development plans for all staff
- Investment in line management training for clerks who manage other council staff
- Investors in people status as appropriate

Further information

A successful council supports the development of its employees. [Section 67 of the Local Government and Elections \(Wales\) Act 2021](#) requires community and town councils to make and publish a plan about the training provision for its members and staff. The training plan should reflect on, and address whether the council collectively has the skills and knowledge it needs to deliver its plans most

effectively. The first training plan must be published by 5 November 2022, six months after the duty comes into force. The training plan must be reviewed no later than three months after an ordinary election of community councillors. Statutory guidance has been published about the duty to make and publish training plans - See Chapter 5 of [The Local Government and Elections \(Wales\) Act 2021: Statutory Guidance for Community and Town Councils](#)

Many of the training requirements for council staff can be sourced from the SLCC - including the CiLCA qualification. Councils are encouraged to provide the necessary funding, including paid time off, for courses and in the case of qualification routes to provide appropriate workload relief to support studies. Further information on courses and any bursary support available can be found on the [SLCC website](#).

Providing staff of the council with the appropriate resources to complete their work is a key consideration in ensuring the successful operation of the council. For example, staff should be provided with council email addresses and access to council computer systems rather than being expected to use their own. Council staff should not use personal email addresses for council communications or save council documents to personal computers for reasons of information security, as well as for ensuring effective continuity if the council employee should leave their role.

Resources and training

[One Voice Wales](#) provides a training course on this subject.

SLCC also provide a range of training opportunities – see the [SLCC website](#) for latest courses and availability.

Commentary

Actions

We will:

-

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.

The council engages with its community
<p>Questions to consider</p> <ul style="list-style-type: none">• Does your council understand the demographic composition of its community?• How does the council involve the whole community in its decision-making processes, and provision of services?• How does the council stay in touch about local “hot topics” that emerge from time to time?• How does your council plan and provide for the diversity of needs within its community?• What methods and tools are used by the council, to involve the community in community planning issues?• How does the council ensure it is reflecting the voice of the community in reviewing planning applications and contributing, where appropriate to the Local Development Plan?• What does the council do to ensure it engages with the people in the community in the language of their choice?
<p>Examples of evidence to review to inform assessment</p> <ul style="list-style-type: none">• Community engagement strategy prepared and periodically reviewed• Community surveys• Proactive work with community groups• Involvement in other aspects of community life e.g. school governors, citizens advice etc.• Social media activity

- Minutes of meetings
- Annual report
- Website
- Newsletters
- Noticeboards
- Community events
- Employment of a community development officer (where appropriate)
- Youth representatives serving on the council

Further information

The council is elected to serve all parts of the community and must ensure it reflects the needs of all the people in its community. Being open and transparent about the work of the council, and its decision-making, is key to engaging the community. A community engagement strategy sets out how the council will understand its community, involve the community in their work and communicate with their electors.

Relevant statutory obligations

[Local Government and Elections \(Wales\) Act 2021](#) – Part 3 Promoting Access to Local Government

The intention of the public participation provisions in the Local Government and Elections (Wales) Act 2021 is to encourage a more diverse range of members of the public to engage with local democracy. Principal councils are required to prepare, consult on, publish and review a ‘public participation strategy’, with the aim of making it easier for members of the public to understand how local government functions; how it makes decisions; and how local people can follow proceedings, input their views, and have them taken into account. There is no requirement for a community council to make a public participation strategy, though they should consider how they enable public participation to take place.

From 5 May 2022 people presiding over community and town council meetings that are open to the public must give members of the public in attendance reasonable opportunity to make representation about any business being discussed at the meeting, unless this is likely to prejudice the effective conduct of the meeting.

[Section 47 of the Local Government and Elections \(Wales\) Act 2021](#) provides for multi-location attendance at community and town council meetings. The requirement is that a community council must make and publish arrangements for convening meetings, which

allows – but not requires – participants to be in multiple locations. See Chapter 2 of [The Local Government and Elections \(Wales\) Act 2021: Statutory Guidance for Community and Town Councils](#)

[Schedule 4 of the Local Government and Elections \(Wales\) Act 2021](#) also includes provisions 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).

[Local Government \(Wales\) Measure 2011](#) – made provision for the appointment of community youth representatives (section 118)

Resources and training

National Principles for Public Engagement in Wales aim to guide behaviour and encourage good quality, consistent engagement activity with service users and the general public. See Third Sector Support Wales [Knowledge Hub](#) to view the National Principles and access other supporting information.

[Public service geo-spatial agreement](#) provides location data which can support planning and decision-making.

[One Voice Wales](#) offers two training modules relating to community engagement - *'Introduction to Community Engagement'* which explores how councils and councillors can improve how they engage with the communities they serve; and *'Community Engagement Part 2'* which covers tools and techniques.

[SLCC](#) offer a Community Governance qualification.

Commentary

Actions

We will:

-

The council works with partners to help its community

Questions to consider

- How does the council work with partners to help achieve its vision and purpose?
- How does the council assess who it could and should work with (including statutory partners)?
- Are you working with everyone you could / should be working with?
- How has the council ensured it is resourced to develop its partnerships?

Examples of evidence to review to inform assessment

- Proactive work with community groups
- Involvement in other aspects of community life e.g. school governors, citizens advice etc.
- Annual report
- Community events
- Work with public services board (especially those councils with a duty under the Well-being of Future Generations (Wales) Act 2015)
- Lead subject representatives appointed
- Expertise to serve on advisory committees (co-option of non-councillors)
- Charter agreement with the principal authority

Further information

Community and town councils can provide services with other bodies, including neighbouring community councils. Partnership working recognises the limitations of what we can do on our own and the opportunities for achieving more by working together.

A stakeholder analysis is a simple way of identifying who might have most interest and influence in delivering the council's vision and plan.

This can be a helpful tool in identifying and prioritising potential partners. A by-product of this work is that it might identify opportunities to take forward ambitions that might otherwise have been missed. Having completed a stakeholder analysis, the council will need to consider who it seeks to work with and whether it is suitably resourced to take work forward.

If the council takes the lead in setting up a partnership, it should represent community interest groups and minority interests through either membership or consultation.

Working with the principal council

Building effective relationships between community councils and the principal council for the area can support councils to deliver for the people they serve. Informal and / or formal mechanisms may be established for engagement and partnership working.

A charter agreement is entered into by a principal council and a community council for a community or communities within its area. It is a shared agreement describing the way in which the councils' respective functions will be exercised for the purpose of maintaining and improving co-operation between them.

The Welsh Government strongly encourages all councils to enter into formal charter agreements to underpin the relationship with the county or county borough council for the area. Working together through effective relationships and networks can support both tiers to ensure they are delivering the right outcomes for the people they serve. A charter provides clarity of commitments from both parties and gives validity and recognition to both parties as equal partners.

Resources and training

Case studies on effective engagement with partners are available to One Voice Wales members upon request.

[Ensuring Effective Stakeholder Engagement](#) - Guide produced by the Government Communication Service to support engagement with stakeholders, including tools to identify key stakeholders and plan for engagement.

Commentary

Actions

We will:

-

The council communicates with its partners and community

Questions to consider

- Are you confident that your communications are accessible to all parts of the community?
- How do you encourage feedback and involvement from across the community?
- How does your website help you engage and communicate?
- How do you use social media to engage with your community?

Examples of evidence to review to inform assessment

- Community engagement strategy prepared and periodically reviewed
- Community surveys
- Appointing council representatives to serve on outside bodies
- Social media activity
- Minutes of meetings
- Annual report
- Website
- Newsletters
- Noticeboards
- Community events
- Compliments and complaints letters
- Public participation sessions on council meeting agendas
- Council surgeries

Further information

[The Local Government \(Democracy\) \(Wales\) Act 2013](#) requires that community and town councils publish certain information electronically. [Section 55](#) of the Act requires councils to publish electronically information about how to contact it and, if different, its

clerk. The information which must be available electronically includes a telephone number, a postal address and an email address. In addition, councils must publish electronically information about its members, including a list of the council's members, each member's name, information about how they may be contacted, party affiliation (if any) and any office held or committee they belong to within the council. If the community concerned is divided into community wards, the ward each member represents must be shown. Councils must also publish electronically the minutes of its meetings and, so far as reasonably practicable, documents referred to at those meetings. They must also publish their annual audited accounts electronically.

It is a decision for each council to take as to whether they will operate their own, independent website, or whether they decide to link up with other councils in their area, or the principal council, or some other body which is happy to host their information. It is, however, a requirement that there is a regularly updated website providing the public with the ability to access the information described above.

A website is such a key means of communicating that people who want to find out about your council will simply assume you have one. A website offers the opportunity to promote, test and share ideas for the future of the community.

Social media is fast and free to use as well as a great way of getting your messages to more people in your community. Social media can help increase accessibility and can help break down barriers for people who might otherwise find it difficult to participate in your council's activities.

Different communication methods will be needed to ensure the council effectively engages with and informs the whole community. Considering how you are communicating, the audience for the different methods of communication, and where there are any gaps, will ensure you are reaching a full range of people within your community.

Resources

[Statutory Guidance: Access to Information on Community and Town Councils](#)

[Connecting with your local community: A Communications Guide for Welsh Community & Town Councillors and their Clerks.](#)

[The Local Government and Elections \(Wales\) Act 2021: Statutory Guidance for Community and Town Councils](#) – Chapter 3
Participation at meetings

A Communications Toolkit is available to One Voice Wales members upon request.

Commentary

Actions

We will:

-

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 questions 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.

The council operates high standards of accountability and governance in an open and transparent way
<p>Questions to consider</p> <ul style="list-style-type: none">• What processes are in place to ensure effective and timely decision making and are these processes documented?• How does the council's annual business / service plan inform its budget?• How does the council use committee and sub-committee decision-making arrangements?• What processes are in place to review risk management?• What handover provisions are in place for transfer of information, finances and records when the clerk/responsible financial officer leaves the council?
<p>Examples of evidence to review to inform assessment</p> <ul style="list-style-type: none">• Standing orders• All processes reviewed periodically by council / committee to ensure they remain appropriate, with findings recorded• Internal controls documentation• Published timetable of council and committee meetings

- Minutes of council meetings record decisions on the need for committees / sub committees and are published in a timely manner
- Usage of standing orders; financial regulations; and risk register
- Terms of reference for committee / sub-committee framework
- Scheme of delegations to support decision making
- Risk register
- Evidence of an easily accessible local complaints process for members of the public, and reference to the role of the Public Services Ombudsman for Wales in investigating complaints about public services.

Further information

All community and town councils must conduct their business in an open and transparent way and comply with statutory requirements in relation to decision making.

The council must conduct its business and make decisions through meetings, either of the full council or committees. There are rules governing meetings set out in the [Local Government Act 1972](#), in particular [Schedule 12](#).

Councils are legally required to keep minutes of meetings held and these minutes must be available to the public for inspection. Council meetings must be open to the public and press. They can only be excluded by a council resolution for a particular agenda item where sensitive issues are to be discussed (such as legal, contractual or personnel matters).

Rules for the annual meeting of the council and all other meetings should be contained in the council's standing orders.

[The Local Government \(Democracy\) \(Wales\) Act 2013](#) requires that community and town councils publish certain information electronically. [Section 55](#) of the Act requires councils to publish electronically information about how to contact it and, if different, its clerk; information about each of its members; the minutes of its meetings and, so far as reasonably practicable, documents referred to at those meetings; and their annual audited accounts.

[The Local Government and Elections \(Wales\) Act 2021](#) – [section 47](#) makes it easier for meetings to take place through a variety of arrangements, including multi-location meetings where all individuals are attending virtually, and hybrid meetings where a number of individuals are attending in person at a designated location and others are attending virtually from a range of other locations. See Chapter 2 of [The Local Government and Elections \(Wales\) Act 2021: Statutory Guidance for Community and Town Councils](#)

[Schedule 4 of the Local Government and Elections \(Wales\) Act 2021](#) also includes provisions 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. The electronic publication of documents extends to include making available key information as soon as reasonably practicable, and within seven working days of the community council meeting taking place, and must include: the names of members who attended; apologies for absence; declarations of interest; any decisions taken and the outcome of any votes. This would not apply to any decisions taken in private, or where disclosure of the information would be contrary to any enactment.

In accordance with the Local Government and Elections (Wales) Act 2021, [section 48](#), from 5 May 2022 people presiding over community and town council meetings that are open to the public must give members of the public in attendance reasonable opportunity to make representation about any business being discussed at the meeting, unless this is likely to prejudice the effective conduct of the meeting.

It can be helpful to put all information about how the council operates; how decisions are made; and the procedures which are followed to ensure that decision making is accountable, open and transparent into a single documented constitution. The primary components of a documented constitution will be the council's standing orders and financial regulations, along with the clerk's scheme of delegated powers, the code of conduct for members, the code of conduct for employees, member / officer protocol, terms of reference for committees etc.

Resources

The [Local Government and Elections \(Wales\) Act 2021: Statutory Guidance for Community and Town Councils](#) - Chapter 3 Participation at meetings

[The good councillor's guide for community and town councillors](#) – Part 3 provides guidance for council meetings

[Arnold – Baker on Local Council Administration \(12th Edition Dec 2020\)](#)

[Statutory Guidance: Access to Information on Community and Town Councils](#)

[The Local Government Finance Act 1992](#) - sections 41, 50 and 51 set out how the council should calculate its budget and precept.

[Local Government Act 1972 - Section 101](#) makes provisions for the appointment of committees and the discharge of functions by committees.

[Public Bodies \(Admission to Meetings\) Act 1960](#)

Good practice examples of council business plans including community plans are available to One Voice Wales members upon request.

For an example of a documented constitution see [Llanelli Rural Council website](#)

Commentary

Actions

We will:

-

The council fulfils its duties and responsibilities in regard to health, safety and welfare

Questions to consider

- How does the council oversee and manage its health and safety arrangements?
- How has the council assessed whether it has the necessary expertise, skills and resources to manage its affairs safely as needed?
- How does the council secure health and safety in its premises and activities?
- Does the council allocate sufficient budgetary resources to meet current Health and Safety legislation in relation to all its activities?
- What systems and checks does the council have in place to manage risk?

Examples of evidence to review to inform assessment

- Health and Safety Management Committee
- Health and Safety Policy Statement
- Health and Safety Procedures
- Risk assessments
- Records of tests
- Annual Health and Safety action plan
- Accident report book and related investigation procedures
- Stress management policy
- Stress risk assessment

Further information

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.

Relevant legislation includes:

- [The Health and Safety at Work etc. Act 1974](#)
- [The Management of Health and Safety at Work Regulations 1992](#)
- [The Workplace \(Health, Safety and Welfare\) Regulations 1992](#)
- [The Provision and Use of Work Equipment Regulations 1992](#)
- [The Manual Handling Operations Regulations 1992](#)
- [The Health and Safety \(Display Screen Equipment\) Regulations 1992](#)
- [The Personal Protective Equipment at Work Regulations 1992](#)
- [Reporting of Injuries, Diseases and Dangerous Occurrences Regulations 2013](#)

Resources, advice and training

[Health & Safety Executive](#) has a range of guidance available on its website

IOSH Managing Safety course – suitable for councillors and clerks

One Voice Wales covers health and safety in its training module *'The council as an employer'*

Commentary

Actions

We will:

-

The council understands how to manage its assets and facilities

Questions to consider

- How does the council deliver and review the services it provides to the community?
- How does the council record, manage and maintain its existing assets and facilities?
- Does the council have a process to identify potential transfer options / consider transfer requests of services and assets from its local authority?
- Is there adequate insurance cover in place to safeguard assets and facilities?

Examples of evidence to review to inform assessment

- Evidence from surveys, engagement events, contributions from the public to council meetings
- Evidence in minutes from budget setting discussions and business planning meetings.
- Evidence of operating a charter or protocol with the local authority
- Minutes recording assessment of need for new asset or service
- Register of assets
- Maintenance programme
- Land registry documentation / title deeds
- Asset transfer policy
- Insurance documentation

Further information:

Internal controls should be in place to safeguard the assets and investments held by the council from loss or damage and to ensure their proper use within the community.

Internal controls should include:

- Maintaining an asset register;
- Regular inspection of fixed assets to ensure they exist, remain in good repair and are being used appropriately;
- Appropriate authorisation for the disposal or scrapping of fixed assets; and
- Maintaining secure boundaries of any land and buildings held by the council and holding all title deeds securely.

Having an asset transfer policy gives a positive message to the community about the council's stance in regard to safeguarding local facilities. A policy confirms the intention to take over the responsibility for the ownership, management and running of assets from the principal council.

Relevant legislation

[Local Government Act 1972, sections 124, 126 and 127](#) – Power to acquire by agreement, to appropriate, and to dispose of land.

[Local Government Act 1972, section 135](#) - requires a council to make standing orders covering contracts for the supply of goods or materials or for the execution of works

[Local Government Act 1972, Section 139](#) – Power to accept gifts of land.

[Local Government Act 1972, Section 133](#) – Power to provide buildings for public meetings and assemblies

[Local Government \(Miscellaneous Provisions\) Act 1976, Section 19](#) – Power to provide a wide range or recreational facilities

Resources

[Assets and Services Toolkit](#) – contains information, case studies and resources designed to help councils taking on community services and assets.

[Governance and Accountability for Local Councils in Wales – A practitioners guide \(2019 Edition\)](#) – see part 2 Governance and financial management.

Commentary

Actions

We will:

-

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 help the council reflect on the overall approach to financial management, and will be best supported by information on this theme contained in the health check to provide confidence that the statutory and non-statutory procedures to support good financial management have been followed.

The council has suitable accounting and audit systems

Accounting Questions to consider

- What methods does the council employ to document its accounting systems and controls?
- How does the council satisfy itself these meet its needs?
- How does the council satisfy itself the accounting systems and controls are operating as intended?
- How does the council ensure that accounting records are secured and available to relevant officers?
- How does the council take responsibility for completing and approving the Annual Return / statement of accounts in a timely and complete manner?

Audit questions to consider

- How does the council appoint its internal auditor?
- How often does the council review its appointment of its auditor?
- How does the council ensure that it receives reports from both internal and external audits?

- What methods does the council employ to examine and act upon both internal and external audit reports to reflect on and to improve its financial management?

Examples of evidence to review to inform assessment

- Schedule of accounting records maintained by the council
- Documented arrangements for transfer of documents on change of responsible financial officer
- Internal audit terms of reference and audit reports
- Council / committee meetings with the internal auditor, presentations by the internal auditor to the council
- Internal and external audit reports and recommendation tracking
- Standing agenda item at June and September / October meetings to confirm approval and publication of accounts

Further information

Community and town councils have a responsibility to ensure effective governance and management of the public money they have been entrusted with, and that this is used economically, efficiently and effectively. The financial rules, statutes and procedures protect the council and give it the tools to achieve its goals and make best use of public money. All councillors are accountable for the council's finances and should ensure the council has proper arrangements in place.

The law requires that councils submit their annual accounts to the Auditor General for Wales. For most councils the accounts are in the form of an annual return. The Auditor General makes arrangements for the external audit to be undertaken by auditors. The external audit is a check that accounting statements have been properly prepared and the council has complied with its statutory responsibilities in relation to financial management.

The annual return is the principal means by which the council is accountable to its electorate and councils must complete an annual return to confirm that everything is in order. Signed statements confirm responsibility for governance arrangements during the year. In particular they show that:

- the accounts have been properly prepared and approved;
- a system of internal control is in place – including the appointment of a competent and independent internal auditor – and the effectiveness of both the system and the appointment has been reviewed;

- the council has taken reasonable steps to comply with the law;
- the council has assessed all possible risks to public money;
- the accounts have been publicised for general inspection so that electors' rights can be exercised;
- there are no potentially damaging or hidden issues such as an impending claim against the council;
- significant differences in the figures (between the current and the previous year) have been explained.

A smaller relevant body must, no later than 30 June immediately following the end of a financial year – (a) consider the accounting statements by the members meeting as a whole; (b) following that consideration, approve the accounting statements for submission to the auditor by a resolution of the body; (c) following approval, ensure that the accounting statements are signed and dated by the person presiding at the meeting at which that approval was given.

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.

Some key legislation to be aware of includes:-

- [The Local Government Act 1972](#) (section 151) requires a community or town council to appoint a responsible financial officer (RFO). It is the role of councillors to ensure that the RFO acts properly.
- [The Accounts and Audit \(Wales\) Regulations 2014](#) (as amended) set out the council's responsibilities for financial management, internal controls and internal audit (Regulations 5, 6 and 7) as well as the required procedures and timetable for signing, approval and publication of accounts (Regulation 15).

Resources and training

[Governance and Accountability for Local Councils in Wales – A practitioners guide \(2019 Edition\)](#) provides detailed guidance on financial management and governance (Part 2), accounting practices (Part 3 for councils with income and expenditure below £2.5 million and Part 4 for councils with income and expenditure above £2.5 million), as well as checklists for annual internal audit review (Appendix 2) and for financial year end (Appendix 3). The guide also covers the external audit and electors' rights (part 5).

Your council must have its own financial regulations giving details of how the council manages its finances. Model financial regulations are available to members of One Voice Wales and SLCC.

One Voice Wales run a training module 'Local Government Finance'. For more details, including any bursary support that may be available for this training, visit the [One Voice Wales](#) website. A basic online e-learning module '[Understanding Local Government Finance](#)' is also available, free to all, on the One Voice Wales website.

[SLCC offer relevant qualifications for clerks](#), including:-

- Financial Introduction to Local Council Administration (FILCA)
- Certificate in Local Council Administration (CILCA)

[Webinar: Internal Audit Arrangements at Town and Community Councils in Wales](#) – a shared learning event provided by the Good Practice Team at Audit Wales

Commentary

Actions

We will:

-

The council has suitable financial management and financial assistance processes

Financial management questions to consider

- How does the council develop and approve its annual budget?
- How does the council monitor its budget over the course of the financial year?
- What arrangements has the council made for the transparent approval and execution of payments?

Financial Assistance questions to consider:

- How does the council determine which bodies to award financial assistance to?
- How does the council monitor the value of financial assistance awarded in each year?
- How does the council manage risk and ensure confidence in its financial assistance processes?

Examples of evidence to review to inform assessment - Financial management

- Detailed budget prepared which analyses expected receipts and payments, use of reserves etc supporting the total budget requirement to be met by the precept
- Reflection by members, individually and jointly
- Regular bank reconciliations prepared by responsible financial officer and subject to appropriate review
- Regular monitoring of expenditure through year
- Precept receipts
- Documented internal control procedures

Examples of evidence to review to inform assessment - Financial assistance

- Grants award policy and procedure
- Financial support policy and procedure

- Minutes documenting grant awards linked to a grants policy
- Annual report
- Community engagement activity
- Reflection by members, individually and jointly

Further information

Financial Management

The budget is an essential tool for controlling the council's finances. It demonstrates that your council has sufficient income to carry out its activities and policies. The budget must be prepared in advance, as it is used to set the precept for the year. By checking spending against budget plans on a regular basis at council meetings, the council controls its finances and monitors progress towards what it wants to achieve.

The council must have a system of internal control where someone, (other than the responsible financial officer), oversees the arrangements for financial management and checks financial documents selected at random, including procedures for receiving money, making payments and recording financial transactions. This task would usually be undertaken by a councillor or councillors with a good grasp of financial documentation. The level of internal control should be appropriate to your council's expenditure and activity, councils providing a wider range of services will need more comprehensive checks and balances. The findings are reported to the council, and together with regular feedback from the responsible financial officer on the accounts, all councillors will be aware of the council's financial position. This ensures everything is open and above board and you have the information you need.

The council's spending plans may require a level of external borrowing, for example for capital projects. Borrowing by community and town councils is subject to government controls and Welsh Government's approval is required. The Welsh Government may also impose conditions in accordance with which the borrowing may be carried out. The Welsh Government publishes [guidance](#) on applying for borrowing approvals and an [application form](#) on its website.

Some key legislation to be aware of includes:-

- [The Local Government Finance Act 1992](#) - sections 41, 50 and 51 set out how the council should calculate its budget and precept.

Resources

[Governance and Accountability for Local Councils in Wales – A practitioners Guide \(2019 Edition\)](#) sets out statutory requirements, proper practice and guidance on budget setting and monitoring at Chapter 6

Financial assistance

Financial assistance by a council occurs when a council agrees to provide grants and / or loans to other bodies.

[Section 137 \(1\) of the Local Government Act 1972](#) permits community and town councils to spend on activities for which it has no other specific powers if the council considers that the expenditure is in the interests of, and will bring direct benefit to, the area or any part of it, all or some of its inhabitants, providing that the benefits are commensurate with the expenditure. Community and town councils are also permitted under section 137 (3) to incur expenditure for certain charitable and other purposes, The Welsh Government issues a letter to all community and town councils setting out the maximum expenditure that can be incurred under section 137 (1) and (3) for the relevant financial year. Note - Once a council resolves itself an eligible community council, section 137 of the Local Government Act 1972 no longer 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.

The [Local Government and Elections \(Wales\) Act 2021](#) makes provision for eligible community and town councils to exercise a general power of competence, with the aim of bringing about more effective, capable and innovative local government. The general power will allow eligible councils to act in their communities' best interests, generate efficiencies and secure value for money outcomes. They will also be able to raise money by charging for discretionary services and to trade. See [The Local Government and Elections \(Wales\) Act 2021: Statutory Guidance for Community and Town Councils \(Chapter 1\)](#).

Resources and training

One Voice Wales run a training module 'Local Government Finance'. For more details, including any bursary support that may be available for this training, visit the [One Voice Wales](#) website. A basic online e-learning module '[Understanding Local Government Finance](#)' is also available, free to all, on the One Voice Wales website.

[SLCC offer relevant qualifications for clerks:-](#)

- Financial Introduction to Local Council Administration (FILCA)
- Certificate in Local Council Administration (CILCA)
- Introduction to Local Council Administration (ILCA)

Commentary

Actions

We will:

-

Theme F – Evaluating impact

A well-run council does not always equate to a council having a significant impact in the local community. This theme draws upon the outcome of the work generated from previous themes and is an opportunity for the council to assess whether it is delivering the desired benefits for its community. It will provide a natural self-review of whether the council is providing the service expected of it and whether it is doing all it could do.

Considering the questions in this theme will also help you to summarise the council's achievements and determine future council priorities and activities to inform the council's annual report.

The council assesses the benefit to the community of the work it does, to inform future activities and services

Questions to consider

- How do you know that what you have achieved for the community has been beneficial and made a difference?
- What evidence do you use to understand the impact of the council's work?
- Have you considered future changes to the community or legislation (e.g. general power of competence) to explore opportunities for new ways to help your community?

Examples of evidence to review to inform assessment

- Previous year's annual report (if available)
- Community engagement activity
- Reflection by members, individually and jointly
- Complaints and compliments

Further information

The questions here will give you, as councillors, the opportunity to collectively consider what the council is achieving for the community. You may already have established means of evaluating the impact of the council's work, or this may be something you decide needs to be worked on. This will help you in preparing the council's annual report as required by the [Local Government and Elections \(Wales\) Act 2021 \(section 52\)](#). The reports will set out the council's priorities, activities and achievements during the year. See also Chapter 4 of [The Local Government and Elections \(Wales\) Act 2021: Statutory Guidance for Community and Town Councils](#)

Using evidence to understand what you have achieved for the community, and what could be achieved in future, is vital in making the right decisions going forward. A good understanding of what you are delivering, the significance to the community, effectiveness and value for money will give you the information you need to make good decisions for the community going forward. Conversely, not taking the opportunity to reflect on whether you are delivering what the people in your community need can lead to investment of time and resources in things that may have little impact.

You can use various methods to gather evidence of the benefit your council is having for the community – councillor surgeries, community surveys, community engagement sessions and social media are just some ideas.

Commentary

Actions

We will:

-

Summary of key actions to be taken as a result of Part 2 –The self-assessment

Summary of actions	By who	By when
•	•	•

The Finance & Governance Toolkit for Community and Town Councils: Frequently asked questions

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The toolkit – general

Why should my council use the toolkit?

This toolkit will help your council in a number of ways. It will help you to review the financial management, governance and accountability arrangements you have in place to ensure you keep on top of all of your statutory responsibilities. Over and above this, it will help you ensure you are achieving the best outcomes for your community.

It is not an audit tool, but it will help you assess whether your council is meeting certain statutory requirements that external auditors and the public would expect to see. The Auditor General for Wales supports its use across the sector to help address issues he has identified in his annual financial management and governance reports and public interest reports.

I am a clerk, what is my role in completing the toolkit?

As clerk, you will, in conjunction with the Chair / Leader, complete Part 1 – The health check. This will help you to highlight issues and areas for action for the attention of, and decisions by, councillors. You will also play a key role in supporting councillors as they undertake the reflection required by Part 2 – The self-assessment.

I am a councillor, what is my role in completing the toolkit?

Part 1 – The health check, is designed to be completed by the clerk in conjunction with the Chair / Leader, and councillors should agree the action to be taken as a result of the findings. Councillors should also play an active role and take primary responsibility for the reflection required by Part 2 – The self-assessment, thinking through the issues and deciding on priorities, supported by the clerk as appropriate.

Where does overall responsibility lie in completing the toolkit?

Ultimately, the whole council is responsible for decisions about completing the toolkit and the action plan that results from it. In practice, a working group of councillors might oversee the process for decisions to then be taken by the full council.

How do I access the resources contained in the toolkit?

Click on any underlined text in the further information sections to access additional resources on the internet. You can either hold down the ctrl key on your keyboard and click the left mouse button, or hold down the ctrl key on your keyboard and click the enter button. This will open up the relevant web page.

The toolkit also references some model policies or case studies and where to obtain these from. These documents may only be available to councils in membership of One Voice Wales or the Society of Local Council Clerks and you will not be able to view them directly from the toolkit.

How do I navigate around the toolkit on screen?

You can navigate to anywhere in the toolkit from the detailed contents page (page 2) – simply click on the title of the section you want to move to, hold down the ctrl key and click on the mouse.

At the bottom of each page is an option 'Return to top'. If you click on this, hold down the ctrl key and click on the mouse, you will return to the contents page.

Each page in the themes in both Part 1 – The health check and Part 2 – The self-assessment has a heading to show you which theme you are currently working on. Each theme in the toolkit has an alphabetical reference, and each statement in the health check has a numerical character for ease of reference.

Does the council have to complete the toolkit in one go?

No. How you complete the toolkit is up to your council.

You may decide to complete the whole toolkit in a single exercise. You may decide to work through all themes in Part 1 – The health check first, then work through all themes in Part 2 – The self-assessment. Or you may decide to look at a theme in the health check, then immediately undertake the more in-depth reflection on that theme in the self-assessment.

You may decide to look at the themes in a different order to that in the toolkit, depending on where you want to prioritise attention.

You may find it helpful to work through the toolkit over the course of several months, and begin again on an annual cycle.

My council is very small, does the toolkit apply to us?

Yes. The statutory obligations in the health check are the same whatever the size of your council. For those items which are not statutory, you may apply the toolkit in a proportionate way and in accordance with your council's circumstances. When considering the self-assessment, you may find this takes less time than you thought as you will have fewer details to consider. Councils' responses to issues identified by the toolkit will be proportionate to the size of the council and the breadth of its activities.

Is there a shorter version for smaller councils?

No. The toolkit is relevant to all councils, regardless of size.

Does the toolkit create extra duties or burdens for community and town councils?

No. The toolkit covers the financial management, governance and accountability arrangements every community council should have in place. In particular, the health

check will make clear the responsibilities the council must meet. It will provide a solid basis for completing the council's annual audit.

What do we do with our findings from using the toolkit?

Completing the toolkit should be considered the start of the process, not an end in itself. Through the health check and self-assessment parts of the toolkit, the council will identify priority areas for action. The council can then decide what it wants to do next based on that evidence. The toolkit contains links to further information, guidance and training that will help you address the actions you identify.

Is using the toolkit a one-off event or should the council review it in time?

The council should review the toolkit periodically after completing it for the first time, to identify where improvement action has been taken or where anything has changed. You may find this would be a suitable item for discussion at the annual meeting, or the meeting in June to approve the annual governance statement.

Why can't we access some of the policies, procedures and documents referenced in the toolkit?

Some things referenced in the toolkit are only available to members of One Voice Wales or the Society of Local Council Clerks.

What support is available to help us to complete the toolkit?

One Voice Wales, the Society of Local Council Clerks and Welsh Government are keen to support councils to make effective use of the toolkit. We would like to hear from you about your ideas for training or further guidance. You may also like to work with neighbouring councils to share experience of completing the toolkit or work with your One Voice Wales Area Committees or Society of Local Council Clerks branch networks.

What support is there to address any areas for improvement?

There are lots of ideas in the toolkit itself for how you can address any areas for improvement. This may be a link to some guidance documents or training on certain topics. If you are seeking specific training or guidance on an item that does not have a training course already in place, please contact Paul Egan at One Voice Wales (pegan@onevoicewales.wales) for councillor training or Helen Quick at the Society of Local Council Clerks (Helen.Quick@slcc.co.uk) for clerks' training.

The health check

How should the council complete the health check?

The health check, is designed to be completed by the clerk, working with the chair and / or a small group of councillors. The health check is split into five themes, which can be worked on sequentially or as your council wishes to prioritise attention.

Work through each statement in a theme, answering either 'Yes' if the statement applies to the circumstances in your council, or 'No' if it doesn't. For example, if the statement is *'The council has prepared an annual report'*, and your council hasn't, you would record 'No' on the toolkit next to that statement.

Next, write any comments and actions next to the statement. In the example given here, if there is already an annual report in place, the action would be something *like 'Annual report in place, next report due...'*. If there is no annual report in place, you may record actions such as *'read the guidance on preparing annual reports, review other councils' reports, prepare an annual report for agreement by the full council and publish'*.

Does the council only need to ensure it is meeting the statutory obligations shaded in blue in the health check?

The statements shaded in blue in the health check are statutory obligations. The council MUST ensure that these things are in place. The other statements are also important and an effective council will want to confirm these things are in place to ensure they are best serving their community.

Can the council use a RAG (Red, Amber, Green) rating to identify which statements are already being met, need action immediately or in the medium term?

You may decide to use a 'RAG' (Red, Amber, Green) rating in your council, for instance to help identify whether something is in place, not in place, or partially complete. The council are the main users of the health check and can tailor it – although the questions must not be amended.

The self-assessment

How should the council complete the self-assessment?

Councillors should play an active role and take primary responsibility for the reflection required by 'Part 2 – The self-assessment', thinking through the issues and deciding on priorities, supported by the clerk as appropriate.

The self-assessment is split into six themes, which can be worked on sequentially or as your council wishes to prioritise attention. You might wish to set up one or more working groups to discuss each of the themes and the governance statements within them (shaded in grey).

For example, in 'Theme A – Vision', purpose and community planning', the governance statement is "The council has a clear vision and plan for its community". Councillors would consider, and potentially debate, this statement, guided by the questions in the 'Questions to consider' box in the self-assessment. To help you answer the questions, the toolkit suggests some evidence sources which you can look at to inform your assessment.

A further information section in the self-assessment explains councils' responsibilities in relation to the theme and statement, and contains links to legislation, guidance, support and training.

The council can summarise the discussion about the statement and record any action it will take to address any areas for improvement you identify through discussion.

Decisions and actions can be referred to full council for agreement.

Is the self-assessment the responsibility of the clerk or councillors?

The self-assessment should be led by councillors. The clerk will have an integral role in supporting councillors in undertaking the self-assessment, for example by arranging meetings and recording a summary of discussions and agreed actions.

Does the council need to undertake the self-assessment in a public meeting?

The self-assessment discussions can be conducted as part of a working group, outside of a full meeting. The recommendations regarding findings and actions can then be taken to a full council meeting for agreement. You may also wish to publish a summary of the findings and actions you intend to take on your website and / or in your annual report.

The Finance & Governance Toolkit for Community and Town Councils: Getting started

This is a **quick guide** to help your council start using The Finance & Governance Toolkit for Community and Town Councils.

What the toolkit is and why your council should use it

The toolkit contains themes covering key areas of community and town council activity.

It is made up of two parts:-

Part 1 – The health check – A checklist to test whether essential governance and financial management arrangements are in place.

Part 2 – The self-assessment – A tool to help you reflect more deeply on how the council is serving the community.

Using the toolkit will help your council stay on top of your statutory responsibilities and reflect on how you are working for your community. The toolkit will help prepare the council to meet statutory responsibilities such as annual reports and audits.

How to use the toolkit

How you complete the toolkit is up to your council. For example:

- You may decide to complete the whole toolkit in a **single exercise**.
- You may decide to **work through Part 1 – The health check first**, then work through all themes in Part 2 – The self-assessment.
- You may decide to look at a **theme** in the health check, then look at **the same theme** in the self-assessment.
- You may decide to look at the themes in a **different order** to that in the toolkit, depending on where you want to prioritise attention.

Completing Part 1 – The health check

This is mainly for the clerk to complete, working with the Chair or a small group of members as appropriate.

- Choose a theme.
- For each statement, mark 'Yes' or 'No' as appropriate for your council.
- Statements shaded in blue are statutory responsibilities.
- Record any comments / actions required as appropriate alongside each statement.
- Summarise actions at the end of the theme.

Completing Part 2 – The self-assessment

This is for completion by councillors, supported by the clerk as required. You can set up a working group(s) to consider a theme(s) for reporting back to full council later.

- Choose a theme
- Councillors reflect individually on statements in the chosen theme
- Councillors meet to discuss the statements, guided by 'questions to consider' beneath the statement
- Decide whether the council could take steps to improve under that theme
- Summarise discussion and record actions.

What to do next?

- Agree priorities for action, then act on those priorities.
- Use the toolkit again at a later point to check progress.

The Local Government and Elections (Wales) Act 2021: Statutory Guidance for Community and Town Councils

Audience

This guidance document is aimed at members and officers of community and town councils in Wales.

Overview

The Local Government and Elections (Wales) Act 2021 (“the 2021 Act”) provides for the establishment of a new and reformed legislative framework for local government elections, democracy, governance and performance. The legislation affects the community and town council sector and the key changes are explained in this guidance.

This guidance is intended to support community and town councils to implement the relevant provisions from the 2021 Act.

Action required

Community councils must have regard to this guidance when acting in their functions as local authorities.

Legislation

A council must have regard to guidance issued by the Welsh Ministers in relation to the exercise of its functions in the 2021 Act under:

- Part 2, Chapter 2, section 36 (guidance on the exercise of functions in relation to eligible community councils);
- Part 3, Chapter 4 section 48 (3) (guidance may cover what constitutes a reasonable opportunity to make representations, and what constitutes effective conduct of a meeting), and Chapter 5 section 52(2) (power to issue guidance on annual reports);
- Part 4, section 67 (7) (the power to issue guidance on community council training plans).

This means that councils must take account of the guidance, and if they decide to depart from it, have clear and justifiable reasons for doing so.

Further information and related documents

Large print, Braille and alternative language versions of this document are available on request.

Enquiries about this document should be directed to:

Local Government Performance & Partnerships Division
Welsh Government
Cathays Park
Cardiff
CF10 3NQ
e-mail: LGPPartnerships@gov.wales
This document is also available in Welsh: [\[LINK\]](#)

FOREWORD

The Local Government and Elections (Wales) Act 2021 delivers a package of reforms to strengthen and extend the powers available in local government.

The legislation builds on the strengths of local government to empower councils to have greater impact for their communities. Welsh Government's policy is to provide an enabling and encouraging environment for community and town councils to expand their activities where they could – and should – play a greater role based on local need.

The enabling approach needs to be accompanied by sound governance and effective management of public money. It is important that councils are professionally-supported, professionally-run organisations with access to support and guidance.

The new measures directly affecting the community council sector includes the availability of the General Power of Competence to those councils that meet the eligibility conditions set out in the legislation.

In addition to the new power, new duties are also placed on community and town councils. The duty to make and publish a training plan for all members and staff will support efforts to strengthen the capability of the sector. The new duty to produce and publish an annual report will provide greater transparency and understanding about the council's work to their local communities. I expect to see greater community participation in council meetings as members of the public are given reasonable opportunities to contribute their views.

Other provisions to modernise the governance rules for councils enable meeting papers to be issued electronically and to allow council meetings to be held from multiple locations.

This package of measures, and supporting guidance, is intended to ensure councils have the strength and scope to work in the best interests of the communities they serve. The aim is to support them to deliver good quality, integrated public services in communities across Wales.

Rebecca Evans MS
MINISTER FOR FINANCE AND LOCAL GOVERNMENT

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Introduction

The Local Government and Elections (Wales) Act 2021 ("the 2021 Act") was passed on 20 January 2021. It provides for the establishment of a reformed legislative framework for local government elections, democracy, governance and performance.

The legislation affects the community and town council sector and the key changes are explained in this guidance. The 2021 Act gives qualifying local authorities, including eligible community councils, a general power of competence. This guidance supports community and town councils to consider the requirements they need to meet should they wish to become eligible community councils.

This guidance also provides information to help all councils discharge their new duties in relation to the following requirements:

- Access meetings from multiple locations;
- Provide opportunity for public participation at public council meetings;
- Prepare and publish an annual report;
- Prepare and publish a training plan to support training for councillors and council staff; and
- Other provisions which impact on community and town councils.

Purpose of the provisions

There is support across the sector and from the public for increasing the visibility of the work of community councils. We want communities to take an interest in what their councils do and to have easy access to information on the council's work. The requirements in relation to annual reports, training plans, multi-location meetings and public participation are designed to support this intent.

There is also support to empower community councils to enable them to be more innovative and ambitious when delivering for their community. The provisions allow that where a council meets certain criteria, specified by legislation, they can resolve themselves as 'eligible community councils', able to exercise a general power of competence.

Important Dates

Provisions in the 2021 Act came into force on different dates. The coming into force dates are listed below:

- Duty on councils to publish annual reports – 1 April 2022
- Eligibility to be able to exercise the general power of competence for the community and town council sector – 5 May 2022
- Duty to make opportunity for public to participate in council meetings – 5 May 2022
- Duty to consider training for councillors and council staff – 5 May 2022, with first training plan to be published by 5 November 2022.

1. Chapter 1 - General power of competence and eligible community councils

Applying the General Power of Competence

- 1.1. The general power of competence (GPoC) permits qualifying authorities to do “anything that an individual generally can do”. It is a power of first resort which means that a qualifying authority does not need to rely on specific powers in legislation to do something, so long as what is intended is not otherwise prohibited. The use of the GPoC is subject to restrictions and legal requirements which are described in this guidance. Where there are restrictions on the use of an existing specific power, those restrictions will also apply to the use of the GPoC.
- 1.2. An ‘eligible community council’ is a qualifying authority is defined in section 24(1) of the 2021 Act.
- 1.3. The GPoC enables eligible community councils to act in their communities’ best interests, generate efficiencies and secure value for money outcomes. Eligible community councils will also be able to raise money by charging for discretionary services and to trade for commercial purposes and in their ordinary functions.
- 1.4. The general power of competence gives eligible community councils the same powers to act that an individual generally has, thus enabling them to do similar sorts of things. For example, an individual *could not* impose taxes on other people – so a community council *could not* use the GPoC to raise taxes. However, an individual *could* run a community shop or a post office, so a community council *could* also set up a shop.
- 1.5. The GPoC allows an eligible community council to engage in commercial activity if it sets up a company or co-operative society for this purpose. This is explained more fully in the section on exercising the GPoC for a commercial purpose.
- 1.6. The kinds of activities that the GPoC could be used for include:
 - Lending or investing money e.g. to support village or town activities, or to support and generate local businesses;
 - Providing discretionary support and activities e.g. taking over youth facilities or offering organised support (such as reading/numeracy assistants to schools);
 - Generating and selling green energy;
 - Building and providing a range of community facilities.
- 1.7. However, if another authority (i.e. the principal authority) is under a statutory duty to provide that service (e.g. library services, education, waste collection), then while it shall remain the principal council’s duty, eligible community councils can still help.

Eligibility conditions

1.8. The 2021 Act sets out the conditions which community councils must meet to become an '*eligible community council*' with access to the GPoC. Only councils which meet the eligibility conditions can use this general power. The three conditions are specified in the 2021 Act, [section 30 \(2\)-\(4\)](#) and are set out below:

- At least two-thirds of the total number of members of the council have been declared to be elected (including unopposed), whether at an ordinary election or at a by-election (section 30(2)).
- The clerk to the council holds such named qualification or certification as may be specified by the Welsh Ministers by regulations (section 30(3)).
- The two most recent Auditor General for Wales (AGW) opinions on the council's accounts are unqualified. The most recent must have been received in the previous 12 months (section 30(4)).

1.9. The three conditions, collectively, serve as indicators that a community council represents the views of its electorate, that the council has a recent history of sound governance and that its clerk has the core knowledge, skills and understanding to support a community council in the exercise of the new general power. This provides a level of confidence in a council's ability to execute the GPoC appropriately.

1.10. Where a community or town council wishes to exercise the GPoC it must resolve itself eligible through a formal resolution. A community council must meet the eligibility conditions set out above and pass a resolution at any full meeting confirming that it meets those conditions. It then resolves itself as an eligible community council able to exercise this general power. In accordance with paragraph 26ZA of Schedule 12 to the Local Government Act 1972 ('the 1972 Act') – as inserted by Schedule 4, Part 1 of the 2021 Act – the outcome of the decision to become an eligible community council *must be published on the council's website within seven working days of the resolution being passed*.

1.11. These conditions will be kept under review and there is scope, under section 35 of the 2021 Act, for the Welsh Ministers to amend the conditions. Any proposed changes to these conditions would be made by the Welsh Ministers making regulations and subject to consultation prior to being made.

The Three Conditions

Condition 1: Proportion of elected members

1.12. This condition reflects the principle that a council which exercises the GPoC should reflect the democratic views of the community. Local services are best provided within a democratic framework of local accountability. People who use local services should have as much say as possible in the way they are managed and delivered.

1.13. The condition is for at least two-thirds of members to be elected. This includes those elected at by-elections and those elected unopposed. This means that the minimum number of elected councillors must be a whole number equal to,

or higher than, two-thirds of councillors. For example, a council with nine councillors must have at least six elected councillors.

1.14. Where this is not a whole number, then it must be rounded up. The table below confirms the number of elected councillors required to meet this condition.

Council seats	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19	20
Two-thirds	4	4	5	6	6	7	8	8	9	10	10	11	12	12	13	14

Condition 2: Relevant clerk qualification

1.15. This condition reflects the importance that any council which exercises the GPoC needs to be sufficiently supported when doing so.

1.16. The Certificate in Local Council Administration (CiLCA) is widely recognised by the sector as providing a broad knowledge of all aspects of the community council clerk’s work, role and responsibilities, including the law, council procedures, finance, planning and community involvement.

1.17. In accordance with the Eligible Community Councils (General Power of Competence) (Qualifications of Clerks) (Wales) Regulations 2021 (‘the 2021 Regulations’) which came into force on 5th May 2022, the clerk to the community council must have obtained at least one of the following, at the time, or before the council passes a resolution that it meets the criteria and is an eligible community council:

- The Certificate in Local Council Administration (CiLCA)
- The Certificate of Higher Education in Community Governance
- The Certificate of Higher Education in Community Engagement and Governance
- The Certificate of Higher Education in Local Policy.

1.18. At the time of the council passing a resolution to be an eligible community council, it would be insufficient to declare that the clerk is currently undertaking one of the above; or intending to undertake one at a future date. It will also be insufficient to say that a deputy clerk holds CiLCA. It must be the recognised proper officer of the council that holds the CiLCA qualification.

1.19. Clerks who gained any of the above sector specific qualifications before May 2022 are advised to undertake additional training to confirm that they understand how the GPoC operates. The Society of Local Council Clerks provide a standalone training module GPoC. Clerks who hold a CiLCA certificate without this module would benefit from completing this prior to the council passing a resolution that it is an eligible community council.

1.20. The clerk qualification is only required for those councils who wish to resolve themselves as eligible to exercise the GPoC. There is no general requirement for community or town council clerks to be qualified, although clerks are encouraged to attain CiLCA for the benefit of supporting the council.

Condition 3: Audit opinions

- 1.21. Principles of transparency, professionalism and public accountability should be followed in all financial procedures of community councils. Adherence to an appropriate audit regime and the production of an annual financial statement should be cornerstones of a council's financial management practices.
- 1.22. To meet this condition, the council must have received two unqualified auditor's opinions for two consecutive financial years from the Auditor General for Wales (AGW) – the latest of which must have been received during the 12 months ending on which the community council's resolution is passed.
- 1.23. Community councils which have recent qualified audits will not be eligible to exercise the GPoC.
- 1.24. By way of illustration, at the community council annual meeting in May 2022, the council would normally have confirmation of the outcome of the AGW's audit opinion for the financial years 2019-20 and 2020-21. This is subject to the council providing the external auditor with all the co-operation, relevant information and evidence, in a timely manner, for the AGW to provide an audit opinion.
- 1.25. Therefore, provided that the audit opinion is unqualified for both financial years 2019-20 and 2020-21, this condition would be satisfied. If either of the opinions is qualified, then the condition cannot be satisfied, and the council *cannot pass a resolution* that it is an eligible community council.
- 1.26. In future years, annual consideration of the third condition means that the relevant audit opinion taken into account will continue to change. For instance, in 2023, consideration of this condition would rely on the audit opinions from 2020-21 and 2021-22.

Future changes to the audit regime

- 1.27. Audit Wales has given notice that the audit regime is due to change in 2022. This does not affect the way in which the third condition is assessed as audit opinions will continue to be issued each year by the AGW. This is subject to the absence of major governance and record-keeping problems in councils, and councils providing the AGW with all necessary co-operation, relevant information and evidence, in a timely manner, for AGW to provide the audit opinion.

Exercising the general power of competence for a commercial purpose

- 1.28. An eligible community council may use the GPoC to carry out an activity for a commercial purpose. However, the council may only do so if it would also rely on this general power to carry out that activity for a non-commercial purpose i.e. it could not charge for an activity that it is required, by legislation, to carry out. For example, a council which currently maintains its own lawns and grounds may want to use the GPoC to be able to offer their services to local sports grounds for a fee.

- 1.29. An eligible community council is required to undertake any trading operations through a company (as defined in section 1(1) of the Companies Act 2006 or a registered society as defined under the Co-operative and Community Benefits Societies Act 2014). Those companies must meet the requirements for establishing and running a company.
- 1.30. Eligible community councils must take adequate steps to consider the implications of their proposed exercise of the power for a commercial purpose. The specific conditions are set out in the [General Power of Competence \(Commercial Purpose\) \(Conditions\) \(Wales\) Regulations 2021](#) as amended by the [General Power of Competence \(Commercial Purpose\) \(Conditions\) \(Wales\) \(Amendment\) Regulations 2022](#) (“the 2022 Regulations”) and provide that:
- Before exercising the power, an eligible community council must prepare and approve a business case in support of the proposed exercise of the power. The above regulations set out the requirements for the business case.
 - Where the eligible community council has supplied anything to the company through which the GPoC is being exercised for a commercial purpose, the council must recover its costs from that company.
 - The business case must be published as soon as practicable after the decision is taken to approve it.
- 1.31. For instance, a council may wish to open a local shop or café. While an eligible community council might reasonably support the start-up of a company for this purpose, it should recover the costs of doing so. These costs could include accommodation, goods, services, staff or anything else to help set-up the shop or café. Ongoing subsidy or funding could both distort the market unfairly and could also lead to public funds being placed at undue commercial risk.

Power to trade in ordinary functions

- 1.32. The [Local Government \(Relevant Authorities\) \(Power to Trade\) \(Wales\) Order 2022](#) (“2022 Order”) came into force on 5 May 2022 to extend to eligible community councils. This provides eligible community councils with a power to trade in all services, so long as they are not required by law to provide them. An authority’s power to trade in their ordinary functions is provided for in section 95 of the Local Government Act 2003.
- 1.33. As with exercising the general power for a commercial purpose, where an eligible community council intends to use the power to trade in its ordinary functions, it must prepare, approve and publish a business case.
- 1.34. The ordinary functions of a community council are the functions set out in Acts of Parliament, and Measures or Acts of the Senedd, e.g. powers to provide allotments, to provide and maintain bus shelters, and the power to promote local energy saving schemes. They do not include delegated functions that some community councils operate under agreement from their principal council e.g. library services.

The business case

- 1.35. A business case must be prepared prior to a community council using the *general power for commercial purposes* or the *power to trade in their ordinary functions*. The purpose of the business case is to be transparent that a reasonable assessment of the proposal has been made and agreed by the council.
- 1.36. Business cases should be proportionate to the complexity of each case and the scale of investment being considered. There should be a clear audit trail showing that the community council has acted within its powers. All business cases must be published as soon as practicable following the council decision to approve it.
- 1.37. Appropriate guidance on preparing a business case will depend on the nature of the proposal, and ‘no one size’ will fit all circumstances. However, under the 2022 Order, a business case must include the following elements:
- The aims and objectives of the proposed exercise of the GPoC;
 - The costs, investments and other resources required to achieve those aims and objectives;
 - The financial outcomes that are expected to be achieved;
 - Any other relevant outcomes that are expected to be achieved;
 - Any risks associated including an assessment of the severity of those risks, and any mitigating actions;
 - The impact (including on the terms and conditions of employment) on any staff that it intends to supply to a company to do things for a commercial purpose.
- 1.38. The regulations do not specify an individual accountable for approving the business case – only that it is for the council to provide that approval. The matter is to be decided locally. However, it is recommended that it is made clear to members as well as the public how the approval process works, for example, through the council’s standing orders or schemes of delegation.

Boundaries of the general power of competence

- 1.39. The GPoC does not allow community councils to bypass prohibitions, limitations or restrictions contained in existing legislation. The need for due diligence and robust, transparent decision-making remains. Moreover, councils will want to ensure they have sufficient community support and funding before using the power.
- 1.40. When exercising the GPoC, eligible community councils must act in accordance with the principle established in the case of *Associated Provincial Picture Houses Ltd v Wednesbury Corporation (1948) 1 KB 223* (known as the *Wednesbury case*). The judgement in that case made it clear that a council can exercise reasonable discretion when interpreting legislation provided that it justifies its decision in terms of relevant, rather than irrelevant, matters.
- 1.41. Where a council is already subject to a statutory duty, then that duty remains in place. The GPoC For instance, section 6 of the Environment (Wales) Act 2016 imposes a duty on public authorities, including community councils, “...to

maintain and enhance biodiversity in the exercise of their functions, promote the resilience of ecosystems (known as the Biodiversity and Resilience of Ecosystems duty). . A comprehensive list of statutory duties which apply to community and town councils can be found in the [Good councillor's guide: for Community and Town Councillors.](#)

- 1.42. The council must continue to comply with existing legislation such as employment law, health and safety legislation, equality legislation and the duties relating to data protection and freedom of information.
- 1.43. Eligible community councils cannot use this GPoC primarily to raise money, but they can receive income as a result of using the power for a different primary purpose. For example, the council could lend money to support a local activity and earn interest on the loan and it could also raise sponsorship for a community project.
- 1.44. Through the 2021 Act and associated subordinate legislation, there are other appropriate constraints on the use of the GPoC, including the following:
 - The requirement for a company structure when using the general power for a commercial purpose, and a business case which considers the costs, benefits and risk of each proposal;
 - Limitations on fees and charges for discretionary services; and
 - Checks for pre- and post-commencement limitations (whereby a specific power may be identified). For example, the GPoC power cannot be used to re-write or ignore any parts of express statutory powers and duties.

Annual review of eligibility

- 1.45. Under section 31(1) of the 2021 Act, once a community council has resolved itself to be an eligible community council, it will need to reaffirm on an annual basis that it continues to meet the eligibility criteria. A council can do this by passing a resolution to this effect at its annual meeting.
- 1.46. In the case of a council which has appropriately resolved itself to be eligible at the first available annual meeting following commencement of the 2022 Regulations on 5 May 2022, it will retain that status until its next annual meeting. This would provide the council, and those they deal with, certainty as to the extent of their powers.
- 1.47. Part 1, Schedule 4 to the 2021 Act amends paragraph 26ZA of the 1972 Act to require councils to publish the outcome of decisions within seven working days of the council meeting. Therefore, the outcome of the decision to continue either as an eligible community council, or not, must be published on the community council's website to the same timetable. This provides clarity for the council, and those it deals with, on its ability to exercise the general power.

Ceasing to be eligible

- 1.48. A community council may decide that, despite meeting the conditions, it no longer wishes to be an eligible community council. An eligible community council may pass a resolution at any meeting of the council that it is no longer eligible. The council would then cease to be an eligible community council at

the end of the day following the meeting at which the resolution was passed. In which case it must publish its decision that it is no longer an eligible community council within seven working days of taking the decision (Section 32 of the 2021 Act).

- 1.49. Under section 31(2) of the 2021 Act, if the council does not pass a resolution at the appropriate annual meeting that remains an eligible community council then it ceases to be one at the end of the day following the annual meeting in question. It will not be able to exercise the GPoC until it resolves itself eligible, which may be at the next council meeting.

What happens to agreements entered into by an eligible community council and then the council ceases to be eligible?

- 1.50. Section 33 of the 2021 Act provides that, if an eligible community council which ceases to be an eligible community council (and so loses the general power competence) can continue to rely on the GPoC in relation to things it has done in the exercise of that power while it was an eligible community council, e.g. to deliver services or undertake activities, even though it had ceased to be eligible.
- 1.51. However, the council could not enter into a new contract or change an existing arrangement so that it became qualitatively different from how it was while the council was still eligible.

Common Community Councils

- 1.52. Under sections 27E and 27F of the 1972 Act, communities have the power to apply for an order grouping its community with other communities under a common community council.
- 1.53. In circumstances where such a common community council is formed after 20 January 2021 following an Order made under section 27F of the 1972 Act, it is in effect a new council.
- 1.54. In this case, a newly formed common community council could potentially meet two of the three eligibility conditions relating to:
- The proportion of elected members - since the order made by the principal council would make provision for an election under the 1972 Act, section 27F(5)(a); and
 - Employment of a clerk who holds one of the relevant qualifications specified in the 2021 Regulations.
- 1.55. However, they would be unable to satisfy the third eligibility condition regarding the two most recent opinions of the Auditor General for Wales for at least two years.
- 1.56. To address the anomaly, this condition does not apply to the common community council where at least half of the communities grouped together to form the new common community council had separate community councils immediately beforehand which met this third condition.

1.57. However, if the first opinion of the Auditor General for Wales of the common community council is a qualified audit opinion, then the common community council ceases to be an eligible community council with immediate effect.

Section 137 of the Local Government Act 1972 and Community and Town Councils

1.58. Section 137(1) of the 1972 Act has been retained for community councils that do not wish to resolve themselves as eligible community councils, or are not yet able to satisfy the eligibility conditions.

1.59. A community council which does not resolve itself as an eligible community council will still be able to use the current power under section 137(1) of the 1972 Act. This power permits community councils to spend a limited amount of money on activities for which it has no other specific powers. They may only do this if the council considers that it will be for the direct benefit of its area, or part of its area, or all or some of its inhabitants. Community councils are also permitted under section 137(3) to incur expenditure for certain charitable and other purposes.

1.60. The maximum expenditure is calculated annually. The appropriate sum for the purposes of section 137(4)(a) is calculated by applying the formula set out in Schedule 12B to the 1972 Act.

1.61. Once a council resolves itself an eligible community council, section 137 of the 1972 Act no longer applies to the council as the GPoC – under section 24 of the 2021 Act – is less limiting. If a council ceases to be eligible to exercise the GPoC, section 137 of the 1972 Act will once again apply to that council.

1.62. It should be noted that neither the GPoC nor section 137 of the 1972 Act can be used to circumvent a statutory prohibition on a community council carrying out a particular function.

1.63. Section 137 of the 1972 Act is more constrained than the GPoC because it covers activities incidental to community councils' functions. More fully, this means that section 137 of the 1972 Act limits a community council's expenditure to areas which, in their opinion, is in the interests of and will bring direct benefit to, their area or any part of it or all or some of its inhabitants.

1.64. As noted in the previous section, in order for section 137 of the 1972 Act used as the basis to undertake an action, the direct benefit accruing to the community council's area (or any part of it or to all or some of the inhabitants of its area) has to be commensurate with the expenditure incurred Expenditure is subject to existing financial restrictions. There is no spending limit when relying on the GPoC.

1.65. While the GPoC requires qualifying criteria to be met by the community council before it can resolve itself eligible to exercise that power, section 137 of the 1972 Act does not require specific criteria to be met before a community council is eligible to exercise the power.

The Local Government Act 2000 - Well-being Power

- 1.66. The Local Government Act 2000 (“the 2000 Act”) introduced the “well-being power” which enabled local authorities to do anything that they consider is likely to promote or improve the economic, social or environmental well-being of their area and/or the persons in it, provided that they are not restricted from doing so by other legislation. This power for community councils came into force in Wales on 11 May 2011.
- 1.67. Having three general powers in law is confusing and unnecessary, and has been reported as such by the sector.
- 1.68. Therefore, the ‘well-being power’ provided in section 2 of the 2000 Act was repealed for **all** community councils when the provisions relating to the GPoC were brought into force for eligible community and town councils on 5 May 2022.
- 1.69. Community councils can continue anything which they started, and is ongoing, under the well-being power at the time this power was repealed. However, reliance on this power should stop when that activity is completed or a council resolves to become an eligible community council. Nothing new may be started by the community council using the well-being power from 5 May 2022.

Impact of exercising the General Power of Competence

- 1.70. Over time it is intended to take stock of the number of community councils resolving themselves eligible to exercise the GPoC, and the purposes for which they use it. The National Training Advisory Group, which meets quarterly, will assess the impact of the provisions at key points. They will draw on evidence from surveys, annual reports of community councils, and monitoring the uptake of the CiLCA training.

Case studies

- 1.71. As of the publication of this statutory guidance, there are no examples from community councils in Wales to illustrate how the GPoC may be used. However, [case studies of parish councils](#) exercising the GPoC may be found from the [Local Government Association](#) website.

2. Chapter 2 – Multi-location meetings

- 2.1. The [Local Authorities \(Coronavirus\) \(Meetings\) \(Wales\) Regulations 2020](#) made temporary changes to meeting arrangements for community councils, allowing meetings to be held virtually (i.e. multi-location meetings) and requiring meeting documents to be published electronically. These changes allowed meetings to continue during the coronavirus pandemic. The changes proved popular and beneficial, so the Welsh Government made them permanent through the 2021 Act.
- 2.2. Many councils have found that attendance – including from the general public – and productivity of meetings have improved with multi-location meetings. There are also benefits in reducing travel and enabling councillors, members of the public and the press to engage more readily and more conveniently in council meetings.
- 2.3. Physical meetings should not be seen as representing the gold standard with multi-location meetings being second best. Physical meetings may be convenient and effective for some who are most used to them – but they may be inaccessible or inconvenient to many.

What are the requirements?

- 2.4. This section sets out the things that authorities must do in respect of multi-location meetings.
- 2.5. The 2021 Act requires that all community councils must make and publish arrangements for its meetings to enable people who are not in the same place to meet. Under the arrangements, councils will need to take reasonable steps to allow meetings to be held from multiple locations. If the arrangements are revised or replaced the new arrangements must also be published.
- 2.6. The practicalities of arrangements were considered carefully and it is important for councils to be clear the ***minimum requirement is that members are able to hear and be heard by others.***
- 2.7. Examples of this could include:
 - All participants are in the same physical location;
 - All participants are in the same physical location except one individual who joins from another location e.g. by video or telephone conference;
 - Roughly equal number of councillors are present in a physical space and joining through remote means;
 - Wholly through remote means where no physical arrangements have been made.
- 2.8. Whilst physical meetings in the same location are allowable under the 2021 Act, councils must note that the 2021 Act requires that participants (i.e. council members, members of the public and press) are able to join meetings remotely – even if physical meetings are the preferred mode. Councils must publish these arrangements, for example, through standing orders. Councils are not

allowed to resolve that all meetings will be held entirely physically. Councils should take reasonable steps to allow people to join from another location.

What should the arrangements consider?

2.9. The arrangements must be relevant to your council. They should be consistent with the Nolan principles of public life, the Code of Conduct for members of community councils and must take account of prevailing public health advice and/or legislation.

2.10. It is suggested that arrangements should cover:

- How a council will determine which meetings will have a physical element (i.e. a council meeting room) and how remote access will work in those cases;
- The venue for physical meetings and (if relevant) the appropriate online meeting platform and/or telephone access. This may require councils to consider the most appropriate venue for future meetings and value for money for any upgrades to infrastructure.
- Meeting attendance, including determining where a member is present and voting procedures;
- Ways of working during the meeting e.g. whether and how to use the chat function where appropriate, managing unruly conduct and voting;
- Arrangements to support other participants (including the public and the press) to be able to access and participate in the meeting. This might include virtual waiting room arrangements to ensure appropriate and timely access; and
- Ensuring the meeting is inclusive and accessible and consistent with any Welsh Language Scheme adopted by the council.

2.11. There is no requirement for meetings to be held in the same way every time it meets.

2.12. The chairing and running of the meetings will be slightly different depending on whether it is fully physical, fully virtual or a hybrid meeting. Arrangements need to adapt as councils learn from experience (i.e. from other councils and their own community) of what works effectively in securing clear, transparent, accessible meetings.

2.13. When deciding which meetings may be held wholly remotely and/or with physical provisions, councils should consider:

- The circumstances of individual councillors and their preference in the way they participate in meetings. Some councillors may wish to join council meetings from another location by default – because they have working or caring responsibilities which make attending meetings in person difficult. Similarly, some councillors may wish to attend in person;
- How members of the public are able to access meetings. There may be very good reasons why individuals are not able to attend in person, but would nonetheless wish to listen to proceedings about decisions which impact their

lives. They may also wish to be heard in expressing views on business items;

- The accessibility of the press to hear about, and report on, local stories to enable wider public debate and accountability;
- The range of venues available within reasonable travelling distance. For instance, local schools or other public sector buildings may have infrastructure which makes remote access easier;
- How telephony and other technology can be used to support and facilitate multi-location meetings which is proportionate to the circumstances; and
- Whether arrangements can be adapted to accommodate late requests (e.g. just prior to, or during, the meeting) to join virtually where a meeting had been expected to be physical only, ensuring that the minimum standards are met - where reasonable

Welsh language

2.14. Although community councils are not subject to the Welsh language standards deriving from the Welsh Language (Wales) Measure 2011, they are expected to uphold the main principle of the Measure and treat the Welsh language no less favourably than English. The community council will want to consider how it could encourage and enable the use of the Welsh language at community council meetings, with the help of simultaneous translation for anyone who does not understand Welsh.

2.15. The Welsh Language Commissioner has provided advice on how to support bilingual working including:

- [Bilingual drafting](#),
- [Text translation](#);
- [Using Welsh face-to-face](#); and
- [Holding bilingual video meetings](#).

3. Chapter 3 - Participation at Meetings

- 3.1. In practice, many councils have already introduced formal or informal ways for public participation in their meetings. Prior to the passing of the 2021 Act, members of the public had a statutory right to attend council meetings of community councils, but could only speak at the discretion of the person presiding at the meeting.
- 3.2. Section 48 of the 2021 Act makes provision for public participation at full community council meetings or those part of meetings which are open to the public. The person presiding over the meeting must give members of the public in attendance a reasonable opportunity to make representations about any business to be discussed at the meeting, unless doing so is likely to prejudice the effective conduct of the meeting. This does not mean that members of the public can take part in debate, but they must be given *a reasonable opportunity to make representations about business to be discussed*.
- 3.3. One option for managing this is to invite members of the public in attendance to contribute views on business items where relevant, and to apply a reasonable time limit. Chairs may wish to ask members of the public to signal in advance which items they wish to address. It is respectful to acknowledge and respond to those additional contributions as they reflect opinions from engaged members of the community.
- 3.4. Members of the public may slightly overrun and should be given reasonable time to conclude. However, if they disrupt the conduct of the meeting and make it difficult to continue, the Chair may wish to consider procedures for stopping that disruption, including formal warning to stop, pausing the meeting and/or removal of the source of disruption.
- 3.5. In the interests of transparency, impartiality, and resolving potential misunderstandings, it is recommended that the rules about public participation in council meetings should be set out and published in the council's standing orders and made available on the council's website.

4. Chapter 4 - Annual Reports

- 4.1. There has been consistent support expressed by stakeholders to increase the transparency, and increase awareness, of the work of community councils.
- 4.2. For instance, one of the key findings of the independent review panel on community and town councils was the lack of visibility of community councils' activities. The panel found there was a significant need to increase awareness of the existence of community councils and their work within their communities, as well as a need for councils to engage with communities when making decisions.
- 4.3. Section 52 of the 2021 Act requires community councils, as soon as reasonably practicable after the end of each financial year, to prepare and publish an annual report about the council's priorities, activities and achievements over the previous year.
- 4.4. Community councils are currently required to prepare and publish other reports.
 - Section 6 of the Environment (Wales) Act 2016 ("the 2016 Act") requires all community councils to prepare and publish a plan every three years setting out what they propose to do to maintain and enhance biodiversity, and promote resilience. Under section 6(7) of the 2016 Act, the first such report was required to be published before the end of 2019 with all subsequent reports due for publication before the end of every third year after 2019.
 - Section 40 of the Well-being of Future Generations (Wales) Act 2015 requires some community councils to publish a report annually on the progress made in meeting the local wellbeing objectives in its area. The relevant councils are those with an annual turnover of £200,000 or more in the three financial years prior to the local well-being plan being published;
- 4.5. Community councils can choose whether to prepare separate reports or combine these into a single report.

Timing of annual reports

- 4.6. The first annual report will be required for the 2021-2022 financial year and will be due for publication as soon as reasonably practicable after 1 April 2022. Reports for future years should be published as soon as reasonably practicable after the end of each financial year.

Content of annual reports

- 4.7. The annual report forms part of a range of ways in which the council engages with its community, including through its council website, regular newsletters, consultations and social media.
- 4.8. Annual reports should provide information that strengthens the accountability of the council and increases transparency of the work undertaken. The annual report should be a proactive means of sharing information about the council's priorities, activities and achievements.

4.9. There is no template for a community council annual report as the format will reflect what the council does. The level of detail is expected to reflect the size and scope of council activity. It is an opportunity to show the work of the council, reflecting on the past year's activity and to look ahead to its plans for the coming year.

4.10. Although there is no template, councils may wish to consider the following information within its report.

Context

- Information on the organisation of the council
 - Councillors
 - Sub-committees and members
 - Key contact information
- Basic financial information, including (or linked to):
 - Relevant year's audited accounts, audit opinion and any related public interest report (if accounts are not yet audited, they should be labelled as unaudited)
 - The information presented should be compatible with the [Accounts and Audit \(Wales\) Regulations 2014](#).
- Relationship with the principal council
 - Status of formal charters or protocols to work with the principal council
 - Progress update on any potential assets or service transfers
- Training plan (the council may wish to reflect its training plan in this document)
- The number of complaints raised, what they related to and the outcomes (if relevant).
- Response to a Standards Committee annual report (*where any recommendations are made to that community council*).

Activities

- Key council objectives for the year
 - Progress against objectives
- Assets and services
 - Assets and services managed
 - Asset transfers in progress or completed
- The activities undertaken and planned to engage with its community
- Other community council reports (*through a composite report or links to other council reports*) i.e.
 - Well-being of Future Generations (Wales) Act 2015
 - Environment (Wales) Act 2016

Achievements

- High points of the year including the outputs and outcomes of key services or activities delivered during the year.
- Reflection on what worked well and not so well.
- Confirmation of eligibility to exercise the GPoC (if relevant)
 - How the council has used the power.

Priorities

- Planned activities for subsequent year
- Future budget requirements and how the priorities will be met, e.g. from precept, reserves or commercial activities through the GPoC (if exercising it).

4.11. This is not an exhaustive list of items that could be in the annual report. It is for councils to consider which aspects of their work are **relevant and proportionate** to communicate in its report.

4.12. In preparing the annual report it is good practice to consider how the work undertaken in the past year – and planned for the following year – reflects the five ways of working, as set out in the Well-being of Future Generations (Wales) Act 2015.

- Long term
- Integration
- Involvement
- Collaboration
- Prevention

Approving the annual report

4.13. The council may make its own arrangements for the preparation of various components of the annual report e.g. by staff or through committees. Once the report has been assembled it is for the full council to consider and approve; the approval decision cannot be delegated to a council committee or council officer.

Publication of the annual report

4.14. The publication of the council's annual report should be consistent with the wider approach to publication of council papers in Schedule 4 of the 2021 Act; i.e. that the report is published electronically on the community council website.

4.15. Where the community council has adopted a Welsh Language Scheme, those councils may have made a commitment through the Scheme to publish their annual reports in Welsh. Where no such scheme has been adopted, councils are encouraged to publish bilingually to provide a language choice to their community.

Learning from others in preparing the annual report

4.16. Many councils already publish reports about the work of their council, often titled as an 'annual report', for their local communities and reviewing the

approach other councils have adopted may assist councils in preparing their annual report

- 4.17. Reports vary in length, content, and presentation style but largely cover most of the items in paragraph 4.10.
- 4.18. If you are preparing your council's first annual report it may be useful to review some examples of other councils to help inform your council's approach. There is significant flexibility on the structure, format and medium of published annual reports. Your council will want to consider how to make it engaging and accessible for its community.

5. Chapter 5 - Training Plans

- 5.1. Community councils and their staff should seek to equip themselves to be as effective and efficient as possible when exercising functions. Councils should regularly review whether there are opportunities to improve their administration and governance so that they are better able to perform their responsibilities and serve their communities. Having identified development gaps, the next step is to develop a plan to address these gaps.
- 5.2. Section 67 of the 2021 Act requires community councils to make and publish a plan about the training provision for its members and staff. The first training plan must be ready and published by 5 November 2022, six months after the duty comes into force. This is considered to be an appropriate period of time for councils to assess needs, agree its training budget and adopt a plan.
- 5.3. The training plan should reflect on, and address, whether the council collectively has the skills and knowledge it needs to deliver its plans most effectively.

Purpose of the training plan

- 5.4. Planning for the provision of training can be carried out in a proportionate way, taking into account factors such as the activities undertaken by that council, the current expertise of councillors and clerks and the nature and significance of any training needs identified. Overall, the intention is that the preparation of a training plan would support councillors to have the relevant training to carry out their role - as well as professional clerks and other employees.

Training needs analysis

- 5.5. In order to determine the training priorities for the community council, it is necessary to assess the essential skills needed by the council and whether the council feels there is sufficient coverage and depth across the council. The full list of essential skills will depend on the activities within the council. For instance, a council intending to exercise the GPoC may find it essential that councillors are familiar with preparing a business case or setting up a business.
- 5.6. There are areas which *all* councils should ensure that they have sufficient skills and understanding. These are:
 - Basic induction for councillors;
 - The [Code of Conduct for members of local authorities in Wales](#); and
 - Financial management and governance.
- 5.7. In addition to these areas, the council will want to consider if there are new challenges and opportunities it may wish to explore, such as those offered by the GPoC. In which case, it may decide there are new skills for councillors and clerks to attain.
- 5.8. A number of training analysis templates are available online to help councils determine their own approach to analysing training needs. The most basic approach would list those essential skills identified above and by the council, and ask individual councillors and staff to self-appraise a level of competence

e.g. between one and four (where four is fully proficient). The council can use that information to determine its training needs and then its collective training priorities.

5.9. The next stage is to determine what steps it will take to address relevant skills gaps and prioritise accordingly.

Agreeing and publishing the training plan

5.10. The training plan should reflect the training needs of the council and its plan for addressing those needs. The plan must be approved by the full council prior to publication. The plan should provide, as a minimum, information about:

- The type of training;
- Numbers participating;
- The timeframe over which the training is expected to be completed; and
- The overall cost of the training.

5.11. The National Training Advisory Group (NTAG) for the community and town council sector publishes a strategy for securing sufficient and relevant training provision for councils. It details the courses available and support materials. The council is likely to find this information helpful in determining opportunities to address training needs. As of publication of this document, the NTAG Wales Training Strategy is due to be updated.

5.12. Councils may want to consider the broader range of opportunities to build expertise including formal and informal training, such as shadowing other councillors or staff, or online learning.

5.13. Training costs must be met by councils themselves, although bursary schemes for councillors and clerks may be available to subsidise these costs. Part of the costs of running an effective council includes ensuring that the members and staff have sufficient capability to carry out their functions effectively. Councils should take account of the training costs when setting their budgets.

5.14. Smaller councils, in particular, may wish to share training plans with neighbouring councils to identify any common training requirements that could be negotiated on a larger group basis and potentially reduce the training costs for all.

5.15. The published training plan should not seek to name individuals without their consent. Where this is impossible, e.g. there is one member of staff, the training plan should focus on what the training priorities are rather than who they are for.

Training for employees of more than one community council

5.16. A single clerk may act in this capacity for more than one community council. Other staff may also work across multiple community councils. It is recommended that community councils take a pragmatic approach to meeting the training needs. For instance, councils could agree collectively what training such staff are to receive and how the costs may be shared between the councils. This could be recorded in the training plans of all councils affected,

although care would need to be taken to prevent the information identifying a particular individual.

Review of training plans

5.17. Under section 67(4) of the 2021 Act there is a duty on councils to review their training plan from time to time.

5.18. As a minimum this would be at least at every ordinary election of community councillors. Under section 67(3) of the 2021 Act, once the first plan is published, subsequent plans must be prepared within three months of an ordinary election of community councillors

5.19. In practice, the plan is likely to require revising more frequently, for example, following a council by-election or a new co-opted councillor joining; staff changes; or taking on new responsibilities such as new services or assets.

5.20. Where a council revises or replaces its training plan, under section 67(5) of the 2021 Act, the council must publish the revised or new plan.

Publication

5.21. The publication of the council's training plan should be consistent with the wider approach to publication required by the 2021 Act and be published electronically.

6. Chapter 6: Other provisions impacting community and town councils

Notices of meetings of community councils

- 6.1. Part 1 of Schedule 4 to the 2021 Act amends paragraph 26 of Schedule 12 to the 1972 Act in respect of the notice of the time and place of a full council meeting. The notice (including how the meeting may be accessed virtually, if applicable) must be published electronically and in a conspicuous place in the community at least three clear days before the meeting, or if the meeting is convened at shorter notice, at the time it is convened. If a member wants to receive the summons in writing rather than electronically, they must give notice in writing to the clerk and specify the postal address to which the summons should be sent.
- 6.2. If the meeting is held remotely the notice must provide details about how to access the meeting, and the time and place of the meeting. The place may be omitted if the meeting is held by remote means only.
- 6.3. Paragraph 5 of Schedule 4 to the 2021 Act amends the Public Bodies (Admissions to Meetings) Act 1960 in relation to notices of meetings of community councils. a copy of the notice of the meeting must be published electronically at least three clear days before the meeting or, if the meeting is convened at shorter notice, then at the time it is convened;
- 6.4. Paragraph 21 of Schedule 4 to the 2021 act notes that in exceptional circumstances, a meeting of a committee or sub-committee of the council may be called at shorter notice. In which case, notices should be published with at least 24 hours' notice.
- 6.5. The provision to enable urgent meetings should be used only in an appropriate manner for matters which require urgent response. This mirrors similar provision in place for principal councils, e.g. to form an emergency response to local flooding or a public health crisis. Community councils are advised to prepare standing orders for the process and reasons for calling such urgent meetings, including the securing of support from across council members.
- 6.6. These notice requirements also apply where a formal meeting is taking place which is not open to the public.

Proceedings of community council meetings

- 6.7. The 2021 inserts a requirement under section 26ZA of Schedule 12 to the 1972 Act that no later than seven working days of a council meeting, the council must publish electronically a note setting out:
 - The names of the members who attended the meeting, and any apologies for absence;
 - Any declarations of interest; and
 - Any decisions taken at the meeting, including the outcomes of any votes.

- 6.8. This requirement does not replace the requirements set out in section 55 of the Local Government (Democracy) (Wales) Act 2013 to publish electronically minutes of meetings and such other information as is set out in that section.
- 6.9. The requirements regarding the note to be published after a council meeting do not apply for private business or where disclosure would be detrimental to acting on those decisions.

Community petitions

- 6.10. The 1972 Act (as amended by the Local Government (Wales) Measure 2011 (“the 2011 Measure”)) provided for a community poll to be held if one was demanded at a properly convened community meeting. The outcomes of community polls were non-binding.
- 6.11. Evidence shows that turnout at community polls, as a percentage of the total people entitled to vote is low. In addition, community polls are costly. In order to retain the opportunity for communities to make their views known to their council, the 2021 Act has repealed community polls and replaced them with a system of petitions. Schedule 13 of the 2021 Act provides for the repeal of community polls, and section 42 of the Act introduces a new petitions scheme which is to be made and published by the relevant principal authority.
- 6.12. The exception to this relates to community governance polls i.e. those which enable a community to hold a poll in respect of a proposal to establish or dissolve a community council or to group with other communities under a common community council. The legislation relating to community governance polls, which is set out in the 1972 Act (as amended by the 2011 Measure), is unchanged in the 2021 Act.

Elections

- 6.13. Section 15 of the 2021 Act changes the electoral cycle of principal councils and community councils from four to five-year terms. The voting system for community council elections remains first past the post.
- 6.14. Section 19 of the 2021 Act amends the eligibility criteria for candidates at local government elections to allow a citizen of any country to stand for election. This is subject to the other qualifying criteria, such as age and residence. All other disqualification criteria will continue to apply.
- 6.15. Section 20 of the 2021 Act provides that community council employees, other than those holding politically restricted posts, will be entitled to stand for election to their own council. They will only be required to resign their paid employment with the council if they are elected. This widens the pool of potential candidates while ensuring there is no conflict of interest once the candidate is elected.
- 6.16. Section 21 of the 2021 Act disqualifies a member of a local authority from being appointed or elected to that authority to any paid office other than the office of chair or vice-chair. In the case of community councils there are no such paid office posts. If they wish to take paid office within that community council, they

must resign. However, this section repealed section 116 of the 1972 Act as it applies in Wales (replacing it with section 116A). There is now no requirement to wait 12 months before they can take up paid office.

Meetings in licensed premises

6.17. Schedule 4, paragraph 20 of the 2021 Act has amended Schedule 12, paragraph 26 to the 1972 Act. The effect is to remove the restriction on holding community council meetings and sub-committee meetings within licensed premises.