


TUDDENHAM ST MARY PARISH COUNCIL

Chairman: Councillor Claire Unwin

Clerk: Tina Newell

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In accordance with the Joint Panel on Accountability on Governance (JPAG) Practitioners Guide Tuddenham Parish Council answered no to the following assertions on Section One, 'Annual Governance Statement 2022/23', of the Annual Governance and Accountability Return (AGAR) for the reasons given:

Box 1

The Council did not put in place all arrangements for effective financial management during the year, and for the preparation of the accounting statements.

To warrant a positive response to this assertion, the following processes need to be in place and effective:

Budgeting — The authority needs to prepare and approve a budget in a timely manner before setting a precept or rates and prior to the commencement of the financial year. It needs to monitor actual performance against its budget during the year, taking corrective action where necessary. A financial appraisal needs to be undertaken before the authority commences any significant project or enters into any long-term commitments. – **The Council did not regularly minute the monitoring of its performance.**

Accounting records and supporting documents — All authorities, other than parish meetings where there is no parish council, need to appoint an officer to be responsible for the financial administration of the authority in accordance with section 151 of the Local Government Act 1972. Section 150(6) of the same Act makes the chairman of a parish meeting (where there is no parish council) responsible for keeping its accounts. The authority needs to have satisfied itself that its Responsible Finance Officer (RFO) has determined a system of financial controls and discharged their duties under **Regulation 4 of the Accounts and Audit Regulations 2015**. The RFO needs to have put in place effective procedures to accurately and promptly record all financial transactions, and maintain up to date accounting records throughout the year, together with all necessary supporting information. The accounting statements in Section 2 of the Annual Governance and Accountability Return need to agree to the underlying records.

Bank reconciliation—Statements reconciling each of the authority's bank accounts with its accounting records need to be prepared on a regular basis, including at the financial year-end, and reviewed by members of the authority.

Investments—Arrangements need to be in place to ensure that the authority's funds are managed properly and that any amounts surplus to requirements are invested appropriately, in accordance with an approved strategy which needs to have regard to MHCLG's statutory Guidance on local government investments. If total investments are to exceed the threshold specified in MHCLG's statutory guidance at any time during a financial year, an authority needs to produce and approve an

annual Investment Strategy in accordance with the MHCLG guidance – **The Parish Council do not have an investment policy.**

Statement of accounts—The authority needs to ensure that arrangements are in place to enable preparation of an accurate and timely statement of accounts in compliance with its statutory obligations and proper practices. – **The Parish Council did not complete there accounts before 30 June 2023 as required**

Reserves—The authority needs to have regard to the need to put in place a General Reserve Policy and have reviewed the level and purpose of all Earmarked Reserves – **The Parish Council did not have a reserves policy.**

Box 3

Assertion 3 — Compliance with laws, regulations and proper practices

The Parish Council did not take all reasonable steps to assure themselves that there are no matters of actual or potential non-compliance with laws, regulations and proper practices that could have a significant financial effect on the ability of this smaller authority to conduct its business or on its finances.

To warrant a positive response to this assertion, the following processes need to be in place and effective:

Acting within its powers—All authorities’ actions are controlled by statute. Therefore, appropriate decision-making processes need to be in place to ensure that all activities undertaken fall within an authority’s powers to act. Authorities need to have robust procedures in place to prevent any decisions or payments being made that are ultra vires, i.e. that the authority does not have the lawful power to make. The exercise of legal powers needs always to be carried out reasonably. For that reason, authorities making decisions need always to understand the power(s) they are exercising in the context of their decision making.

General power of competence—An authority seeking to exercise a general power of competence under the Localism Act 2011 needs to ensure that the power is fully understood and exercised in accordance with the Parish Councils (General Power of Competence) (Prescribed Conditions) Order 2012.

Regulations and proper practices—Procedures need to be in place to ensure that an authority’s compliance with statutory regulations and applicable proper practices is regularly reviewed and that new requirements, or changes to existing ones, are reported to members and applied. Authorities need to have particular regard to the requirements of the Accounts and Audit Regulations 2015 – **The Parish Council did not commence the period for the exercise of public rights by the first 10 working days of July of the financial year immediately following the end of the financial year to which the statement relates**

Actions during the year—An authority needs to have satisfied itself that it has not taken any decision during the year, or authorised any action, that exceeds its powers or contravenes any laws, regulations, or proper practices.

Email management-every authority should have an email account that belongs to the council and to which the council has access – this ideally would be a .gov.uk or .org.uk address or could be an address linked to the council website – **The Parish Council did not have an official email address.**