

Recommendation: whilst council is aware of the requirement to ensure that the SOs are fully tailored to the council and that in accordance with proper practices they need to be regularly reviewed, fit for purpose and adhered to, at the next annual review, council should ensure that Standing Order 18av and 18c are amended to reflect the changes to procurement thresholds as identified below.

Clerk's Comment: Resolved. Updated Standing Orders were reviewed by Finance & Governance Committee, subsequently approved by Annual Council on 15 May 2024.

Recommendation: Council should note the procurement thresholds which were updated from 1 January 2024. The new updated financial regulations will take these figures into account and are available for adoption by councils at the earliest opportunity.

Clerk's Comment: Updated Financial Regulations, recently published by NALC, are on this agenda for consideration by the Finance & Governance Committee.

Recommendation: whilst this is a minor sum (£11.60) a review of the timing of the submission of the VAT reclaim should be undertaken to ensure that whilst submission is within a timely manner, it is in line with the underlying records.

Clerk's Comment: This was found to be an error with the accounting software which, when moving from one VAT quarter to the next, did not account for a refunded receipt with VAT totalling £11.60. The error has since been resolved.

Committee wished to record a vote of thanks to the Town Clerk, Deputy Town Clerk, and Financial Administration Assistant, for their work in obtaining another clear audit.

RESOLVED that Committee noted that there were no significant actions arising from the final Internal Audit Report for the Financial Year 2023/24 and, therefore, no action plan is required to be submitted with the Annual Return 2023/24 to the External Auditor.

41. REVIEW OF INTERNAL AUDIT EFFECTIVENESS

Committee reviewed the arrangements for, and effectiveness of, Council's internal audit.

Members considered the good service received from the SALC-appointed auditor and the benefit of an internal auditor with experience of working within the town council sector. It was proposed that the arrangement be recommended to continue on the same basis for 2024/25.

Councillors were mindful of having the same auditor appointed from SALC, and suggested requesting SALC to provide separate auditors for the interim and end of year internal audits, as happened this year.

RESOLVED that it be recommended to Council that:

- i. **having reviewed the effectiveness of its internal audit, it be resolved that Council considers the arrangements to be effective; and,**
- ii. **in being satisfied of the independence and competence of its internal auditor, the Suffolk Association of Local Councils be appointed to continue as the Council's internal auditor, undertaking a half-yearly and year-end audit on the basis of Section 4 of the "Governance and Accountability for Local Councils – a Practitioner's Guide 2023".**
- iii. **SALC be requested that different auditors complete the half yearly audits.**

42. ANNUAL GOVERNANCE STATEMENT AND ANNUAL RETURN 2023-24

Members considered the Accounts, Annual Governance Statement and Annual Return for the Financial Year 2023/24 as presented.

The Clerk confirmed that the Notice of Audit would be displayed on the Town Hall noticeboard in accordance with the statutory requirements.

Councillors recommended the '0' Code be made more clear, and has since been renamed '0 - Control Account', and this will be updated when it goes to Council.

Councillors expressed their thanks to the Town Council team.

It was RESOLVED that it be recommended to Council that:

- i. **the Annual Return for the financial year ended 31 March 2024 (Section 1 – Annual Governance Statement) be approved and the Mayor and Town Clerk be authorised to sign the declaration on behalf of Felixstowe Town Council;**
- ii. **the Annual Return for the financial year ended 31 March 2024 (Section 2 – Accounting Statements) as signed by the Town Clerk, as the Council's Responsible Finance Officer be approved, and the Mayor be authorised to sign the declaration on behalf of Felixstowe Town Council; and,**
- iii. **it be noted that there were no actions arising from the final Internal Audit Report for the Financial Year 2023/24 and, therefore, no action plan was required to be submitted with the Annual Return 2023/24 to the External Auditor.**

43. ANNUAL REPORT 2023-24

Committee considered the Annual Report 2023/24. Members suggested a couple of minor amendments and corrections and a change to the colours as

the contrast made it difficult to read. The Clerk advised that he would update the report and circulate to all Councillors, with a deadline of the following Friday, prior to inclusion on the next Council meeting agenda.

It was RESOLVED that, subject to the amendments discussed, the Annual Report for the Municipal Year 2023-24 be recommended to Council for approval and adoption.

44. BUDGET MONITORING TO 30 APRIL 2024

Committee received the budget monitoring report to 30 April 2024. A report of any variance to budget estimates for the period greater than 9.2% or £500 was considered.

RESOLVED that the budget monitoring report to 30 April 2024 be noted.

45. QUARTERLY BANK RECONCILIATION

It was confirmed that the Council's nominated Quarterly Bank Reconciliation Signatory (*Min #15 2023/24 refers*), had signed the reconciliation between the bank statement and Scribe accounts to confirm the amounts agreed each month.

RESOLVED that it be noted that the reconciliations between the bank statement and accounts statements for the period 1 April 2023 – 31 March 2024 had been reviewed and signed by the appointed bank reconciliation signatory.

46. COUNCIL INVESTMENTS

Committee noted the report on Council investments and discussed the reinvestment of £500,000 in a 1-year bond with the Close Brothers Group at a return of 5.1% interest.

Points were also made concerning the ethical nature of investing with banks, effort taken to avoid banks tied to arms trade and fossil fuels, and the pros and cons of investing with multiple banks. It was proposed that some funds be taken out of our existing Nationwide account to invest with Unity Bank, subject to a satisfactory credit rating, and to be approved at Ordinary Council on June 19th.

Members were however still supportive of renewing a 1-year bond with the Close Brothers.

It was RESOLVED that £500,000 be reinvested in a 1-year bond with the Close Brothers Group, with an additional request to investigate the rating of Unity Bank, for possible investment

47. STATEMENT OF INTERNAL CONTROL 2024/25

Committee noted the requirement of the Accounts and Audit Regulations 2015 for Council to ensure that it has a sound system of internal control.

Following consideration of the Council's policy and internal control statement document it was proposed that it be recommended to Council for approval and adoption with no further changes.

It was RESOLVED that the Internal Control Statement for the year ending 31 March 2025 be recommended to Council for formal adoption as presented.

48. FINANCIAL REGULATIONS 2024/25

Committee reviewed new draft Financial Regulations 2024/25, following the model which has recently been published by NALC.

RESOLVED that the draft Financial Regulation for 2024/25 be recommended to Council for adoption.

49. RESERVES POLICY 2024-26

Committee reviewed the Council's Reserves Policy, outlining how the Council will determine and review its level of reserves.

It was RESOLVED that the Reserves Policy for the period 2024-2026 be recommended to Council for adoption as presented.

50. CLOSURE

The meeting was closed at 8.47pm. The next meeting was noted as being scheduled for Wednesday 23 October 2024 at 7.30pm.

Date: _____

Chairman: _____