

## Section 1 – Annual Governance Statement 2023/24

We acknowledge as the members of:

MORLEY TOWN COUNCIL

our responsibility for ensuring that there is a sound system of internal control, including arrangements for the preparation of the Accounting Statements. We confirm, to the best of our knowledge and belief, with respect to the Accounting Statements for the year ended 31 March 2024, that:

|   | Agreed |     |   |
|---|--------|-----|---|
|   | Yes    | No* |   |
| 1. We have put in place arrangements for effective financial management during the year, and for the preparation of the accounting statements.  | Y      |     | prepared its accounting statements in accordance with the Accounts and Audit Regulations.   |
| 2. We maintained an adequate system of internal control including measures designed to prevent and detect fraud and corruption and reviewed its effectiveness.  | Y      |     | made proper arrangements and accepted responsibility for safeguarding the public money and resources in its charge.   |
| 3. We took all reasonable steps to assure ourselves 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 authority to conduct its business or manage its finances. |        | N   | has only done what it has the legal power to do and has complied with Proper Practices in doing so.   |
| 4. We provided proper opportunity during the year for the exercise of electors' rights in accordance with the requirements of the Accounts and Audit Regulations.   | Y      |     | during the year gave all persons interested the opportunity to inspect and ask questions about this authority's accounts.   |
| 5. We carried out an assessment of the risks facing this authority and took appropriate steps to manage those risks, including the introduction of internal controls and/or external insurance cover where required.  | Y      |     | considered and documented the financial and other risks it faces and dealt with them properly.  |
| 6. We maintained throughout the year an adequate and effective system of internal audit of the accounting records and control systems.  | Y      |     | arranged for a competent person, independent of the financial controls and procedures, to give an objective view on whether internal controls meet the needs of this smaller authority. |
| 7. We took appropriate action on all matters raised in reports from internal and external audit.  |        | N   | responded to matters brought to its attention by internal and external audit.   |
| 8. We considered whether any litigation, liabilities or commitments, events or transactions, occurring either during or after the year-end, have a financial impact on this authority and, where appropriate, have included them in the accounting statements.                                  | Y      |     | disclosed everything it should have about its business activity during the year including events taking place after the year end if relevant.   |
| 9. (For local councils only) Trust funds including charitable. In our capacity as the sole managing trustee we discharged our accountability responsibilities for the fund(s)/assets, including financial reporting and, if required, independent examination or audit.                         | Yes    | No  | N/A   |
|   |        |     | N/A   |

\*Please provide explanations to the external auditor on a separate sheet for each 'No' response and describe how the authority will address the weaknesses identified. These sheets must be published with the Annual Governance Statement.

This Annual Governance Statement was approved at a meeting of the authority on:

12/06/2024

and recorded as minute reference:

MINUTE REFERENCE

Signed by the Chair and Clerk of the meeting where approval was given:



SIGNATURE REQUIRED

Chair



SIGNATURE REQUIRED

Clerk

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Morley Town Council

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At the Full Council meeting of Morley Town Council on 12/6/24, members agreed a 'No' response to statements 3 and 7.

**3 – 'We took all reasonable steps to assure ourselves 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 authority to conduct its business or manage its finances'**

Committees have acted outside of their terms of reference which could lead to challenge of the decision.

Councillors engaging and specifying works with contractors or bidders. The Clerks/RFO should be the ones seeking the requisite three quotes or, if needed, managing the tender process.

Any order in excess of the threshold (previously £25,000 now £30,000) in total must be advertised on the Government Tender Portal and cannot be disaggregated to circumvent this.

It was proposed by Cllr Finnigan that the Town Council's risk management, financial regulations and procedures are revisited by all councillors to ensure full compliance in the future, seconded by Cllr Kimberley, approved and all members agreed.

**7 - 'We took appropriate action on all matters raised in reports from internal and external audit'**

The RFO reminded members of the information contained in the internal auditor report and addendum, reading from it as follows:

'In my interim report of 4<sup>th</sup> December 2023 under Issues Discussed, Public money, I stated that some Members were not complying with Standing Orders/Financial Regulations when making purchases for the Council. I understand that this practice is still ongoing and feel the time has now come to refer the matter to the External Auditor.'

The RFO also reported that at the Finance, General Purposes & Strategic Committee meeting of 5/6/24, the clerks were instructed to open accounts with Redwood and Unity Banks to reduce overall financial risks.

It was proposed by Cllr Finnigan that the Town Council's risk management, financial regulations and procedures are revisited by all, seconded by Cllr Kimberley, approved and all members agreed.

R Pickles

Town Clerk

13/6/24