INTERMEDIATE REVIEW SUBMISSION

1.0 Background

1.1. As the Town Council's total gross income or expenditure is greater than £200,000 it automatically meets the requirements for an intermediate level review to be conducted by the External Auditor.

1.2. Each year the External Auditor chooses one of the Assertions listed in the Annual Governance Statement and asks the Council to provide evidence to support that assertion.

This year the Auditor has chosen Assertion 8 which is detailed below together with the explanatory notes from the JPAG guidance

Assertion 8: Significant events 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 smaller authority and, where appropriate have included them in the accounting statements.

JPAG - To warrant a positive response to this assertion, the authority needs to have taken the following actions where necessary:
Significant events. The authority needs to have considered if any events that occurred during the financial year (or after the year-end), have consequences, or potential consequences, on the authority's finances. If any such events are identified, the authority then needs to determine whether the financial consequences need to be reflected in the statement of accounts.

1.3 The Auditor has requested that the Council submit the following documentation

• a copy of the relevant minutes, agenda papers and any related reports from 2019/20 to support the setting of the budget for the subsequent financial year; and
• if the 2018/19 external auditor report included any 'except for' matters, copies of minutes and any agreed plan showing the corrective action taken to address these matters. (N.B. This does not apply to Keynsham Town Council)

2.0 Evidence of Setting the Budget

2.1. The Council has a defined procedure and timetable to address the budget setting as follows (which is now detailed in the Statement of Internal Control)

The Council follows a 4-step Budgeting process as follows:

September/ October	Review of Capital projects, ear marked reserves and CIL and recommendations for projects/provision to EMR for the following year (Finance Cttee).

Review of Financial Risks and reserves policy and amount of General Reserve to be maintained.

November Annual Salary review by Personnel Committee.

Consideration of applications for large grants from Community organisations (Town Council).

Review of Committee budgets (EATH, Env & Sustainability, Grants) Town Council.

December Preliminary budget discussed.

January Approve Budget and Precept.

2.2. Last year the Council also set a 4 year Action Plan which underpins the budget going forwards and was in the process of considering the possible acquisition of a building so budgeted for a Public Works Loan to include for income from the new building and the twice yearly public works loan repayment. (This is a necessary requirement of the application procedure to MHCLG for authorisation to take out the loan)

2.3. Rather than overburden the Committee with a large amount of documentation to include scans of signed minutes/Agendas/reports etc, the Clerk has listed the items to be submitted below

Meeting	**Date**	**Minute Ref:**	**Relevant Reports** ***(Also include Signed Agendas and Minutes for each meeting)***
Finance & Policy Cttee	10th September 2019	53	Item 10: Review Of Capital Projects including confidential item
Town Council	17th September 2019	129	Capital Projects Review including confidential item in respect of Public Works Loan
Finance & Policy Cttee	12th November 2019	79 80 82	Financial Risks And Reserves Policy Community Budget Submissions Subscriptions
Town Council	19th November 2019	186 191	Community Budget Requests Approval Of Finance Cttee Recommendations Ref Financial Risks And Reserves Policy

		196	Annual Subscriptions
Personnel Cttee	26th November 2019	65 66	Training Schedule Budget Annual Salary Budget Review
Events, Arts Tourism and Heritage (EATH) Cttee	3rd December 2019	22	EATH proposed Budget
Finance Committee	3rd December 2019	89 90 91	Avon Pension Fund Youth Service Budget Preliminary Council Budget inc NDP and EATH budgets
Town Council	10th December 2019	219(iii) 222 223	Approval of Finance recommendation re Avon Pension Fund Four Year Action Plan Draft Budget
Finance Cttee	7th January 2020	97 98 99	CIL Review Draft Budget Recommendations on Precept
Town Council	14th January 2020	247 249 250	CIL Review Approval of Budget Setting of Precept
Finance Cttee	16th June 2020	Xxx	COVID Impact Assessment

RECOMMENDATION
To agree the subject matter for submission for Intermediate Review