

Taunton Deane Borough Council

Corporate Governance Committee – 19 March 2019

Transitional Financial Arrangements – Responsibility for Preparation of the Final Accounts of a Predecessor Council

This matter is the responsibility of the Leader of the Council, Councillor John Williams

Report Author: Andy Stark, Interim Finance Manager (Deputy S151 Officer)

1 Executive Summary

- 1.1 To advise members of the transitional arrangements with regard to the preparation of final accounts of both predecessor councils; Taunton Deane Borough Council and West Somerset Council.
- 1.2 The regulations covering this are within The Local Government (Boundary Changes) Regulations 2018 and form part of the overall transfer of functions, duties and responsibilities to a successor council (Somerset West and Taunton), and the continuity and responsibility for functions exercised by a shadow authority.

2 Recommendations

- 2.1 That Members are requested to note the report.

3 Risk Assessment (if appropriate)

Risk Matrix

Description	Likelihood	Impact	Overall
The details of any specific risks are contained in the report			

4 Background and Full details of the Report

- 4.1 With the demise of both TDBC and WSC, proper arrangements are required in respect of the transitional responsibility of final accounts. This has been set down in legislation and specifically Section 22 of The Local Government (Boundary Changes) Regulations 2018.
- 4.2 In summary, the regulations places the responsibility for the preparation of the 2018/19 final accounts of both TDBC and WSC with the section 151 officer of the shadow authority.
- 4.3 The regulations state that:

- (i) The section 151 officer of the shadow authority shall direct and supervise the steps for the preparation of the final accounts of a predecessor councils and such other steps as may be required to further the efficient and timely closure of the predecessor council's final accounts.
- (ii) The section 151 officer of the shadow authority must as soon as reasonably practicable prepare and implement a plan for taking of the necessary steps.
- (iii) The closure plan must include a timetable of the necessary steps; and a statement of the resources which, in the section 151 officer's opinion, are required to further the efficient and timely closure of the predecessor council's final accounts.
- (iv) The section 151 officer must keep the closure plan under review and, if necessary, amend it.
- (v) The predecessor council and its officers must assist with the section 151 officer in the discharge of the functions of that officer under this regulation.

5 Action Taken to Date and Key Dates

- 5.1 The finance team has already produced and distributed to all key staff the 2018/19 financial year end closedown guidance for TDBC and WSC. Within this guidance is a summary of the key dates and deadlines that budget holders and other staff need to be aware of in respect of the closedown processes. In this regard the first two weeks of April are critical to the delivery of the year-end.
- 5.2 A more detailed closedown timetable has been produced for both TDBD and WSC specifically for the financial actions that need to be completed. This details the separate financial actions, the lead officer for each and when it should be completed by. This timetable will be reviewed at least on a weekly basis. This timetable also sets out the various key dates in terms of the democratic approval process. A summary of the key dates for the final accounts process is shown in the table below:-

MARCH	ACTION
13 Mar 19	Financial Year End training for budget holders and business support
19 Mar 19	Annual Governance Statement approved by Audit Committee (WSC)
19 Mar 19	Annual Governance Statement approved by Corporate Governance Committee (TDBC)
31 Mar 19	END DATE FOR 2018/19 FINANCIAL YEAR
APRIL	
16 Apr 19	Deadline for final transfers to and from Earmarked Reserves
16 Apr 19	Deadline for final carry forward requests
30 Apr 19	Revenue Account Closed

MAY	
03 May 19	Capital Account Closed
14 May 19	Public Inspection Notice to be Published on Website
22 May 19	Produce draft final accounts including notes and narrative statement
24 May 19	s151 Officer Approval of Unaudited Statement of Accounts
24 May 19	Send Unaudited Statement of Accounts to External Auditor
31 May 19	Publish Unaudited Statement of Accounts on Website
31 May 19	DRAFT STATEMENT OF ACCOUNTS COMPLETED
JUNE	
01 Jun 19	Public Inspection Period for Final Accounts Begins
04 Jun 19	Outturn Report to Assistant Director for Review prior to submission to Committees
14 Jun 19	SCRUTINY MEETING to consider outturn financial position of TDBD and WSC
JULY	
02 Jul 19	Public Inspection Period for Final Accounts Ends
11 Jul 19	CABINET MEETING to note outturn and approve carry forward of budgets
23 Jul 19	Statement of Accounts Briefing for Members approving Statement of Accounts (date to be agreed)
23 Jul 19	AUDIT COMMITTEE MEETING 2.00 p.m. Approve 2018/19 Statement of Accounts for both councils
30 Jul 19	Publish "Notice of Conclusion of Audit" for 2018-19
30 Jul 19	Publish Approved Statement of Accounts on Website

6 Links to Corporate Aims / Priorities

6.1 There is no direct contribution to the Corporate Priorities.

7 Finance / Resource Implications

7.1 As we are already One Team and working through the implementation of the new operating model the majority of work will be undertaken by finance case and specialist officers, overseen by the Interim Finance Manager with overall leadership and sign off being the responsibility of the section 151 officer. Due to the new council and elections, finance staff will provide suitable training and briefings to new council audit committee members prior to presenting accounts for their approval.

8 Legal Implications

8.1 These are outlined in this report.

9 Environmental Impact Implications

9.1 None

10 Safeguarding and/or Community Safety Implications

10.1 None

11 Equality and Diversity Implications

11.1 None

12 Social Value Implications

12.1 None

13 Partnership Implications

13.1 None

14 Health and Wellbeing Implications

14.1 None

15 Asset Management Implication

15.1 None

16 Consultation Implications

16.1 None

Democratic Path: Corporate Governance Committee

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