

## OTTERY ST MARY TOWN COUNCIL

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18 June 2025

Dear Councillors

I hereby give you notice that the **Extraordinary Full Council meeting [In-person]** of **OTTERY ST MARY TOWN COUNCIL** will be held at **18:30 on Monday, June 23, 2025, at Ottery St. Mary Town Council Offices, 8 Broad Street, Ottery St Mary EX11 1BZ.**

All members are hereby summoned to consider the matters detailed on the agenda below.

Yours faithfully

*Kerry Kennell*

### INFORMATION FOR MEMBERS OF THE PUBLIC/PRESS:

The law requires that public access is possible and not restricted, unless in the case of an agreed confidential session.

1. If you wish to comment on an item on this agenda (but don't wish to speak at the meeting) please submit this in writing by **12 noon Monday, June 23, 2025**. This will be read out under public participation for members to consider.
2. For members of the public/press that wish to speak at the meeting, under public participation, please raise your hand and wait for the Mayor to prompt you.
3. For those who have no visual access to the meeting, Members will state their name before speaking and voting.
4. For those who are unable to hear, the agendas and the minutes of the meeting will be available on the Council's website.

Note: Under the Openness of Local Government Bodies Regulations 2014, any members of the public are allowed to take photographs, film and audio record the proceedings and report on all public meetings (including on social media). If you are recording the meeting, you are asked to act in a reasonable manner and not disrupt the conduct of meetings for example by using intrusive lighting, flash photography or asking people to repeat statements for the benefit of the recording. You may not make an oral commentary during the meeting. The Mayor has the power to control public recording and/or reporting so it does not disrupt the meeting

Mobile Phones, Pagers and Similar Devices – All persons attending this meeting are required to turn off Mobile Phones, Pagers and Similar Devices. The Mayor may approve an exception to this request in special circumstances

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## AGENDA

### **C/25/06/1 Apologies for Absence**

To receive apologies for absence

### **C/25/06/2 Declarations and Disclosable Pecuniary Interests**

To receive Declarations of interest for items on the Agenda and receipt of requests for new Disclosable Pecuniary Interests (DPIs) dispensations for items on the Agenda

### **C/25/06/3 Admission to Meetings**

In consideration of the Public Bodies (Admission to Meetings) Act 1960 (publicity would be prejudicial to the public interest by reason of the confidential nature of the business to be transacted): to agree any items to be dealt with after the public and press have been excluded

### **C/25/06/4 Public Participation**

To allow members of the public present to submit questions/comments for consideration  
Individual contributions will be limited to 3 minutes

### **C/25/06/5 To approve the Accounts for the year ending 31st March 2025**

### **C/25/06/6 To approve the Annual Governance Statement – Section 1 Annual Governance Statement 2024/25**

### **C/25/06/7 To consider and approve Accounting Statements 2024/25 – Section 2**

### **C/25/06/8 To receive and approve the report of the Internal Auditor (Paul Russell) and to approve (if appropriate) the appointment of an auditor for 2025/26**

### **C/25/06/9 To note any specific correspondence received**

### **C/25/06/10 Councillors Questions on Councillors Business**

### **C/25/06/11 Date of the next meeting: Monday 7th July 2025**

Reports & Appendix 1

[Section 1 2024 25.pdf](#)

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## Section 1 – Annual Governance Statement 2024/25

We acknowledge as the members of:

### OTTERY ST MARY 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 2025, 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.			<i>Yes' means that this authority: prepared its accounting statements in accordance with the Accounts and Audit Regulations.</i>
2. We maintained an adequate system of internal control including measures designed to prevent and detect fraud and corruption and reviewed its effectiveness.			<i>made proper arrangements and accepted responsibility for safeguarding the public money and resources in its charge.</i>
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.			<i>has only done what it has the legal power to do and has complied with Proper Practices in doing so.</i>
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.			<i>during the year gave all persons interested the opportunity to inspect and ask questions about this authority's accounts.</i>
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.			<i>considered and documented the financial and other risks it faces and dealt with them properly.</i>
6. We maintained throughout the year an adequate and effective system of internal audit of the accounting records and control systems.			<i>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.</i>
7. We took appropriate action on all matters raised in reports from internal and external audit.			<i>responded to matters brought to its attention by internal and external audit.</i>
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.			<i>disclosed everything it should have about its business activity during the year including events taking place after the year end if relevant.</i>
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
			✓

**\*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:

23/06/2025

and recorded as minute reference:

C/25/06/30

MINUTE REFERENCE

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

Chair

Clerk

SIGNATURE REQUIRED

www.otterystmary-tc.gov.uk

ELECTRICALLY AVAILABLE

## Section 2 – Accounting Statements 2024/25 for

### OTTERY ST MARY TOWN COUNCIL

	Year ending		Notes and guidance
	31 March 2024 £	31 March 2025 £	
1. Balances brought forward	301,725	350,723	<i>Total balances and reserves at the beginning of the year as recorded in the financial records. Value must agree to Box 7 of previous year.</i>
2. (+) Precept or Rates and Levies	256,383	282,510	<i>Total amount of precept (or for IDBs rates and levies) received or receivable in the year. Exclude any grants received.</i>
3. (+) Total other receipts	97,170	135,365	<i>Total income or receipts as recorded in the cashbook less the precept or rates/levies received (line 2). Include any grants received.</i>
4. (-) Staff costs	73,361	75,904	<i>Total expenditure or payments made to and on behalf of all employees. Include gross salaries and wages, employers NI contributions, employers pension contributions, gratuities and severance payments.</i>
5. (-) Loan interest/capital repayments	14,311	14,311	<i>Total expenditure or payments of capital and interest made during the year on the authority's borrowings (if any).</i>
6. (-) All other payments	216,883	237,055	<i>Total expenditure or payments as recorded in the cashbook less staff costs (line 4) and loan interest/capital repayments (line 5).</i>
7. (=) Balances carried forward	350,723	441,328	<i>Total balances and reserves at the end of the year. Must equal (1+2+3) - (4+5+6).</i>
8. Total value of cash and short term investments	350,487	441,071	<i>The sum of all current and deposit bank accounts, cash holdings and short term investments held as at 31 March – <b>To agree with bank reconciliation.</b></i>
9. Total fixed assets plus long term investments and assets	2,167,155	2,167,155	<i>The value of all the property the authority owns – it is made up of all its fixed assets and long term investments as at 31 March.</i>
10. Total borrowings	149,964	143,036	<i>The outstanding capital balance as at 31 March of all loans from third parties (including PWLB).</i>

For Local Councils Only	Yes	No	N/A	
11a. Disclosure note re Trust funds (including charitable)		✓		<i>The Council, as a body corporate, acts as sole trustee and is responsible for managing Trust funds or assets.</i>
11b. Disclosure note re Trust funds (including charitable)			✓	<i>The figures in the accounting statements above exclude any Trust transactions.</i>

I certify that for the year ended 31 March 2025 the Accounting Statements in this Annual Governance and Accountability Return have been prepared on either a receipts and payments or income and expenditure basis following the guidance in Governance and Accountability for Smaller Authorities – a Practitioners' Guide to Proper Practices and present fairly the financial position of this authority.

**Signed by Responsible Financial Officer before being presented to the authority for approval**

Date 23/06/2025

I confirm that these Accounting Statements were approved by this authority on this date:

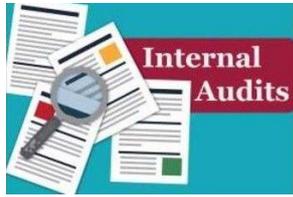
23/06/2025

as recorded in minute reference:

C/25/06/31

Signed by Chair of the meeting where the Accounting Statements were approved

**SIGNATURE REQUIRED**



Mrs Kerry Kennell  
Town Clerk  
Ottery St Mary Town Council  
The Council Offices  
8 Broad Street  
Ottery St Mary  
EX11 1BZ

29<sup>th</sup> May 2025

Dear Kerry,

**Ottery St Mary Town Council End of Year Internal Audit 29<sup>th</sup> May 2025**

The internal audit of Ottery St Mary Town Council for the 2024-25 financial year is now complete. The internal audit was undertaken on Thursday 29<sup>th</sup> May 2025.

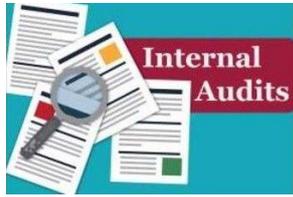
As stated in the Letter of Engagement letter, the scope of our work is limited to completing the audit testing and enquiries we deem necessary to complete Section 4 of the Annual Report for Local Councils in England. We do not provide assurance over or accept responsibility for areas of work not included in this scope, unless specifically agreed with the Council during the financial year. In providing internal audit services we are not conducting a financial statement audit in accordance with standards and guidelines issued by the Audit Practices Board and our procedures are not designed to provide assurance over the reliability and quality of your financial statements. This will be undertaken by the Council's appointed External Auditor.

We are required by the Annual Internal Audit Report included in the Annual Governance and Accountability Return (AGAR) to review controls in place at the Council against predefined control assertions. These control assertions are set out in the detailed report together with the results of the internal audit work for 2024-25.

I would be grateful if you could present this report at the next available meeting of Full Council.

Yours sincerely,

Paul Russell, Internal Auditor



**A. Appropriate accounting records have been properly kept throughout the financial year.**

The accounts have been prepared in accordance with the Accounting Guidance Notes for Local Councils issued by CIPFA as applicable to medium sized Councils. The Council maintains its financial records using the Rialtas accounting software. The internal audit has confirmed that income and expenditure balances to the cashbook and is reconciled to the bank statements on a regular basis. During the review it has been confirmed that there is a clear audit trail from the accounts to supporting documentation such as invoices.

The opening balances in the cashbook agreed back to the 2023/24 accounts. AGAR £350,723.

The accuracy of the year-end bank reconciliation details have been verified and it has been confirmed that accurate disclosure of the combined cash and bank balances are stated in the AGAR, section 2, line 8 is accurate.

The Council also has an Investment Strategy in place as required as it has balances of over £100,000. **Recommend that a further review be undertaken.**

**The Council has met this control objective.**

**B. This authority complied with its financial regulations, payments were supported by invoices, all expenditure was approved and VAT was appropriately accounted for.**

Standing Orders are based on an old version of the Model NALC template. Standing Orders were reviewed at the Full Council meeting held on 13<sup>th</sup> May 2024 (Minute 24/05/16).

Note that the limits do not match and Section 18 is now out of date following the enactment of the Procurement Act 2023.

Financial Regulations are based on the latest version of the NALC model template. Please note that from 24<sup>th</sup> February 2025, both above and below threshold notices for new UK procurements will need to be published on Find a Tender: [Find a Tender](#). Contracts Finder is no longer operational. There is an article in the latest SLCC magazine outlining the impact of the new Procurements Act 2023 for further information.

**It is recommended that Standing Orders are reviewed as soon as possible and that the revisions are based on the latest NALC Model Template so that amendments to legislation can be incorporated in these important policy documents.**

All other payments under Box 6 of the AGAR have increased from £216,883 to £237,055

A sample test has been undertaken during the year and the following is confirmed:

- Payment agreed to invoice
- Invoice signed off on face of invoice
- Expenditure appropriate for this Council

The Council has a number of internal control documents in place (Procurement Policy, Investment Strategy, Internal Controls) which outlines the financial processes and controls. These all need to be reviewed and it is **recommended that this be reviewed alongside the review of Standing Orders and Financial Regulations to ensure new legislative changes have been incorporated.**

The Council submits its VAT returns to HMRC on a quarterly basis. The VAT returns for all four quarters have been submitted and these have been reviewed.

The Council has a debit card in place and a basic check has been undertaken.

**The Council has met this control objective.**

**C. This authority assessed the significant risks to achieving its objectives and reviewed the adequacy of arrangements to manage these.**

The Council is insured with Hiscox on a standard local council package for employer liability and public liability. Adequate cover is provided. The buildings are insured at rebuild costs.

The Council has a Risk Assessment in place and this has been reviewed by Council during the financial year. **However, it is recommended that this be reviewed further to identify all risks facing the Council. A template is available from SLCC or other Councils.**

Appropriate arrangements are in place for monitoring the skate park. An independent risk assessment has been carried out.

**The Council has met this control objective.**

**D. The precept or rates requirement resulted from an adequate budgetary process; progress against the budget was regularly monitored; and reserves were appropriate.**

Council had initial balances of £350,723 at the beginning of the year and these have increased to £441,328 at the end of the 2024/25 financial year. The end of year Financial Statement including the Balance Sheet has been drawn up by DCK Accounting Solutions on behalf of the Council.

Funds are split up as follows:

<b>Funds</b>	<b>Amount</b>
General Reserves	£164,182
Earmarked Reserves	£277,146
Total	£441,328

Earmarked Reserves are in place and are updated throughout the year. These movements are approved by Full Council.

Both the precept and budget for 2024-25 were approved at a Full Council meeting on 8<sup>th</sup> January 2024 (Minute 24/01/09). A precept of £282,510 was set.

The 2025/26 precept of £319,330 (minute C25/01/08.4) was also approved by Full Council.

Budget monitoring reports are presented and reviewed by the Council on a quarterly basis and uploaded onto the website.

**The Council has met the requirements of this control objective.**

**E. Expected income was fully received, based on correct prices, properly recorded and promptly banked and VAT was appropriately accounted for.**

Precept as stated in box 2 was £282,510. This has been cross referenced to third party documentation provided by central government and confirmed.

Income in box 3 of the accounts was £97,170 against an income recorded in 2023/24 of £82,609.

A sample has been tested during the year from the cashbook. The transactions were selected randomly and included items from each month of the 2024/25 financial year. In all cases the credit agreed to the cashbook and the bank statements.

The Council is responsible for one cemetery. Information is available on the website including rules and regulations, internment forms and fees.

The Council also manages the allotment site and has an agreement with the allotment association in place.

The Council has both office space and room hire available. Information is included on the Council website.

**The Council has met the requirements of this control objective.**

**F. Petty cash payments were properly supported by receipts, all petty cash expenditure was approved and VAT appropriately accounted for.**

The Council operates one petty cash account which is kept in a locked cash box in a locked filing cabinet in the locked Archive Room. It is administered by the Clerk. VAT is claimed through Rialtas.

**The Council has met the requirements of this control objective.**

**G. Salaries to employees and allowances to members were paid in accordance with this authority's approvals, and PAYE and NI requirements were properly applied.**

Staff costs in box 4 of the accounts were £75,904 compared to the previous year of £73,361.

Payroll is processed SGW Payroll. It has been confirmed that the staff costs only include payments relating to employment of staff in box 4. Verified that gross pay was calculated correctly, pension payments were correct and all payments to HMRC have been submitted.

Salary payments for the year were reviewed as part of the audit. All the PAYE, National Insurance and Pension deductions were accurately recorded.

Councillors receive a Councillor Allowance and this is paid through the PAYE scheme as required.

**The Council has met the requirements of this control objective.**

**H. Asset and investments registers were complete and accurate and properly maintained.**

Fixed assets box 9 are stated as £2,167,155. The balance has been agreed to the asset register. The asset register has been updated and meets the relevant requirements.

Council is insured through Hiscox on a standard local council package for employer liability and public liability. Adequate cover is provided and the policy was in date at time of audit.

The Council has a Risk Assessment in place but this has not been reviewed during the year. **Recommend that this be reviewed and updated as required.**

The Council has one outstanding loan which run to October 2038. The balance of the loans is £ 143, 035.88. Box 10 on the AGAR is correct. This has been agreed to year end statements published on the Debt Management Office website.

The Council has no long-term investments in place.

**The Council has met the requirements of this control objective.**

**I. Periodic bank account reconciliations were properly carried out during the year.**

The total value of cash and short-term investments stated in box 8 is £441,071. The balance on the bank reconciliation agreed back to the bank statements and cashbook balances recorded in the accounts.

All the Bank Accounts are reconciled promptly on a monthly basis. This was verified by reviewing the bank reconciliations. These reconciliations are reviewed by a Councillor on a monthly basis and reported.

The Council has an investment strategy in place as required by the regulations. This was last reviewed in November 2023. **Recommend that this be reviewed as required.**

**The Council has met this control objective.**

**J. Accounting statements prepared during the year were prepared on the correct accounting basis (receipts and payments or income and expenditure), agreed to the cash book, supported by an adequate audit trail from underlying records and where appropriate debtors and creditors were properly recorded.**

Ottery St Mary Town Council prepares its annual accounts on an income and expenditure bases as required to do so as it has a turnover in excess of £200,000 per annum. Accounting statements are prepared as required and are supported by an audit trail.

The Council has recorded Debtors and Creditors and these are outlined in the Financial Statement.

**The Council has met this control objective.**

**K. If the authority certified itself as exempt from a limited assurance review in 2023/24, it met the exemption criteria and correctly declared itself exempt. (If the authority had a limited assurance review of its 2023/24 AGAR tick “not covered”) Yes No\* Internal control objective Not covered\*\***

Council is subject to a limited assurance review. **Not covered.**

**L. The authority published the required information on a website/webpage up to date at the time of the internal audit in accordance with the relevant legislation.**

Smaller authorities must publish various documents on a publicly available website as required by the Accounts and Audit Regulations 2015, the Local Audit (Smaller Authorities) Regulations 2015 and the Transparency Code for Smaller Authorities. These include:

- Annual Internal Audit Report (published)
- Section 1 – Annual Governance Statement (published);
- Section 2 – Accounting Statements (published)
- Analysis of variances (published)
- Bank reconciliation (published)
- Notice of the period for the exercise of public rights and other information required by Regulation 15 (2), Accounts and Audit Regulations 2015. (published)

In addition to the above requirements the Council has also met the requirements for authorities with a turnover exceeding £200,000 including expenditure over £500, minutes, policies and assets.

**The Council has met this control objective.**

**M. In the year covered by this AGAR, the authority correctly provided for a period for the exercise of public rights as required by the Accounts and Audit Regulations (during the 2024-25 AGAR period, were public rights in relation to the 2023-24 AGAR evidenced by a notice on the website and/or authority approved minutes confirming the dates set).**

The Public Notice is published on the Council's website but was not formally recorded in the Council minutes. The period of 30 days has been observed. Dates were from 12<sup>th</sup> June to 23<sup>rd</sup> July 2024. **Recommend that the public notice dates are recorded in the Council minutes when agreeing the AGAR.**

**The Council has met this control objective.**

**N. The authority has complied with the publication requirements for 2024/25 AGAR (see AGAR Page 1 Guidance Notes).**

The Statement of Accounts, Annual Governance Statement and the external audit certificate for 2023/24 are published on the Council's website.

The Conclusion of Audit certificate has been published on the Town Council's website. The audit was clear for 2023/24.

The external audit certificate is available on the website but does not appear to have been reported to Council or a Committee. **Recommend that the External Audit Certificate if formally reported to Full Council to note.**

The Council is required by regulations to publish AGAR documentation for the previous 5 years. This has been met with accounts going back to 2016.

**The Council has met this control objective.**

**O. (For local councils only) Trust funds (including charitable) – The council met its responsibilities as a trustee.**

The Council is not a sole trustee. **Not applicable.**