

POLICY & RESOURCES CABINET BOARD

6th DECEMBER 2012

FINANCE & CORPORATE SERVICES

**REPORT OF THE HEAD OF FINANCIAL SERVICES
– H. JENKINS**

INDEX OF REPORT ITEMS

PART 1 - Doc.Code: PRB-061212-REP-FS-HJ

SECTION A – MATTERS FOR DECISION		
Report Items	Page Nos.	Wards Affected
1. Council Tax – Recovery of Costs	2-4	All
2. Business Rates – Recovery of Costs	5-7	All
3. Council Tax and Business Rates – Representation at Magistrates Court Proceedings	8-11	All
4. Neath Port Talbot Welsh Church Acts Fund – Financial Statements 2011/12	12-35	All
SECTION B – MATTERS FOR INFORMATION		
5. Treasury Management Monitoring 2012/13	36-39	All
6. Procurement Tendering and Evaluation Processes	40-46	All

PART 1

SECTION A – MATTERS FOR DECISION

ITEM 1

COUNCIL TAX - RECOVERY OF COSTS

Purpose of Report

1. To determine the level of costs to be recovered from council taxpayers in respect of the issue of summonses and the granting by the Magistrates of liability orders.

Background

2. The legislation governing the administration of council tax provides that reasonable costs may be recovered:

- on the issue of a summons
- on the granting by the Magistrates of a liability order.

3. Current costs are recovered as follows:

- on the issue of a summons - £39.00
- on the granting of a liability order - £23.00

4. It is normal policy to review the level of costs charged on an annual basis, and to increase those costs. It is recommended, therefore, that the following level of costs be charged for 2013/14

- on the issue of a summons - £39.00
- on the granting of a liability order - £24.00

5. This represents an increase of 1.61%.

Recommendation

6. It is recommended, therefore, that the costs be increased with effect from 1st April 2013 to the following:

- on the issue of a summons - £39.00
- on the granting of a liability order - £24.00

Reason for Proposed Decision

To set the 2013/14 administrative costs to be recovered from the issue of summonses and liability orders.

List of Background Papers

Council Tax (Administration & Enforcement) Regulations 1992

Wards Affected

All.

Officer Contact

H.Jenkins - Head Financial Services

Tel. 01639 763646

email: h.jenkins@npt.gov.uk

A.Hinder - Principal Council Tax Officer

Tel. 01639 763908

email: a.hinder@npt.gov.uk

COMPLIANCE STATEMENT

COUNCIL TAX - RECOVERY OF COSTS

(a) **Implementation of Decision**

The decision is proposed for implementation after the 3 day call-in period.

(b) **Sustainability Appraisal**

Community Plan Impacts:

Economic Prosperity	No impact
Education and Lifelong Learning	No impact
Better Health and Well Being	No impact
Environment and Transport	No impact
Crime and Disorder	No impact

Other Impacts:

Welsh Language	No impact
Sustainable Development	No impact
Equalities	No impact
Social Inclusion	No impact

(c) **Consultation**

There has been no requirement under the Constitution for external consultation on this item.

ITEM 2

BUSINESS RATES - RECOVERY OF COSTS

Purpose of Report

1. To confirm the level of costs to be recovered from business ratepayers in respect of the issue of summonses and the granting by the Magistrates of liability orders.

Background

2. The legislation governing the administration of business rates provides that reasonable costs may be recovered:
 - on the issue of a summons
 - on the granting by the Magistrates of a liability order.
3. Current costs are recovered as follows:
 - on the issue of a summons - £39.00
 - on the granting of a liability order - £31.00
4. It is normal policy to review the level of costs charged on an annual basis. However regulations limit the combined total charged to £70.00.
5. Therefore it is proposed that the level of costs remain unchanged for 2013/14.

Recommendation

6. It is recommended, therefore, that the costs remain unchanged as below:
 - on the issue of a summons - £39.00
 - on the granting of a liability order - £31.00.

Reason for Proposed Decision

To set the 2013/14 administrative costs to be recovered from the issue of summonses and liability orders.

List of Background Papers

Non-Domestic Rating (Collection & Enforcement) (Local List) Regulations 1989

Wards Affected

All.

Officer Contact

H.Jenkins - Head of Financial Services

Tel. 01639 763646

email: h.jenkins@npt.gov.uk

A. Hinder - Principal Council Tax Officer

Tel. 01639 763908

email: a.hinder@npt.gov.uk

COMPLIANCE STATEMENT

BUSINESS RATES - RECOVERY OF COSTS

Implementation of Decision

The decision is proposed for implementation after the 3 day call-in period.

Sustainability Appraisal

Community Plan Impacts:

Economic Prosperity	No impact
Education and Lifelong Learning	No impact
Better Health and Well Being	No impact
Environment and Transport	No impact
Crime and Disorder	No impact

Other Impacts:

Welsh Language	No impact
Sustainable Development	No impact
Equalities	No impact
Social Inclusion	No impact

Consultation

There has been no requirement under the Constitution for external consultation on this item.

ITEM 3

COUNCIL TAX AND BUSINESS RATES – REPRESENTATION AT MAGISTRATES COURT PROCEEDINGS

Purpose of Report

1. To update the list of staff who are authorised to represent the Authority at Magistrates Courts proceedings.

Background

2. Following changes in the staffing of the Council Tax and Business Rates Sections there is a need to update the list of staff who are authorised to represent the Council at Magistrates Courts proceedings for the recovery of Council Tax and Non Domestic Rates.

Proposal

3. In pursuant to Section 223 of the Local Government Act 1972, the following officers be authorised to represent the Authority in proceedings before a Magistrates Court for the purpose of the recovery of Council Tax and Non Domestic Rates.

Ms A Hinder
Mrs P Hill
Mrs R Stanbury
Mrs S MacFarlane
Mr A MacFarlane
Mrs A Greenway
Miss V Edwards
Mrs L Griffiths
Mrs P Roberts
Mrs I Smith

Recommendation

4. It is recommended that the following staff be authorised to represent the Authority in proceedings before a Magistrates Court for the purpose of the recovery of Council Tax and Non Domestic Rates.

Ms A Hinder
Mrs P Hill
Mrs R Stanbury
Mrs S MacFarlane
Mr A MacFarlane
Mrs A Greenway
Miss V Edwards
Mrs L Griffiths
Mrs P Roberts
Mrs I Smith

Reason for Proposed Decision

To confirm officers authorised to represent the Authority at Magistrates Courts proceedings.

List of Background Papers

None.

Wards Affected

All.

Officer Contact

H. Jenkins - Head of Financial Services
Tel. 01639 763646
email: h.jenkins@npt.gov.uk

A. Hinder - Principal Council Tax Officer
Tel. 01639 763908
email: a.hinder@npt.gov.uk

COMPLIANCE STATEMENT

COUNCIL TAX AND BUSINESS RATES – REPRESENTATION AT MAGISTRATES COURT PROCEEDINGS

Implementation of Decision

The decision is proposed for implementation after the 3 day call-in period.

Sustainability Appraisal

Community Plan Impacts:

Economic Prosperity	No impact
Education and Lifelong Learning	No impact
Better Health and Well Being	No impact
Environment and Transport	No impact
Crime and Disorder	No impact

Other Impacts:

Welsh Language	No impact
Sustainable Development	No impact
Equalities	No impact
Social Inclusion	No impact

Consultation

There has been no requirement under the Constitution for external consultation on this item.

ITEM 4

NEATH PORT TALBOT WELSH CHURCH ACTS FUND – FINANCIAL STATEMENTS 2011/12

1. Purpose of Report

This report is to inform Members of the 2011/12 Welsh Church Acts Fund financial performance and certification of the 2011/12 Financial Statements.

2. Neath Port Talbot Welsh Church Acts Fund –Financial Statements 2011/12

The Draft Neath Port Talbot Welsh Church Acts Fund Annual Report and Financial Statements 2011/12 are attached for review by the Policy & Resources Cabinet Board.

The statements show a deficit of £20,442 for 2011/12.

The certified Neath Port Talbot Welsh Church Acts Fund Financial Statements 2011/12 will be submitted to The Charity Commission in January 2013.

3. Neath Port Talbot CBC Fees

Neath Port Talbot CBC as Trustees of the Neath Port Talbot Welsh Church Acts Fund are responsible for its legal and financial administration and preparation of financial statements.

The annual charge for these services are:

Finance £2010

Legal £500

4. Future Policy

As at March 2012 outstanding grant commitments totalled over £63,000, reduced to £48,000 at end of November 2012, with annual income of less than £10,000 per annum. Consequently no new applications should be accepted until the backlog of grants is cleared.

5. **Receipts and Payments Accounts**

As the income generated by this Fund is less than £100,000 per annum a separate Receipts and Payments set of Accounts have also been prepared and forwarded to the Auditors for sign off.

6. **Recommendations**

Members are requested to:

- Review the Accounts and recommend their submission to the Charity Commission.
- Continue to suspend the approval of new applications until further notice.

Reason for Proposed Decision

- (a) To comply with the Charity Commission's requirements.
- (b) To ensure that the fund remains solvent.

List of Background Papers

WCAF 2011/12 Financial Statements

Wards Affected

All

Officer Contact

For further information on this report item, please contact:

Mr. Hywel Jenkins – Head of Financial Services
Tel. No. 01639 763646
E-mail: h.jenkins@npt.gov.uk

Mr. Tony Parker, Senior Accountant, Technical Services
Tel. No. 01639 763612
E-mail: a.parker@npt.gov.uk

COMPLIANCE STATEMENT

ITEM 4

NEATH PORT TALBOT WELSH CHURCH ACTS FUND – FINANCIAL STATEMENTS 2011/12

Implementation of Decision

The decision is proposed for implementation after the three day call in period.

Sustainability Appraisal

Community Plan Impacts

Economic Prosperity	-	Positive
Education & Lifelong Learning	-	Positive
Better Health & Well Being	-	Positive
Environment & Transport	-	Positive
Crime & Disorder	-	Positive

Other Impacts

Welsh Language	-	Positive
Sustainable Development	-	Positive
Equalities	-	Positive
Social Inclusion	-	Positive

Consultation

There has been no requirement under the Constitution for external consultation on this item.

NEATH PORT TALBOT COUNTY BOROUGH COUNCIL

WELSH CHURCH ACT TRUST FUND

SCHEME 1999

ANNUAL REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2012

REGISTERED CHARITY NUMBER: 1076440

Neath Port Talbot Welsh Church Acts Fund

Annual Report For The Year Ended 31st March 2012

The Neath Port Talbot County Borough Council (Welsh Church Act Trust Fund) Scheme 1999, is a Registered Charity number 1076440.

The registered address is: Neath Port Talbot County Borough
Council
Finance & Corporate Services Directorate
Civic Centre
Port Talbot
SA13 1PJ

The Welsh Church Acts Fund was established by a trust deed in 1914. It originally covered the old Glamorgan County Council area. The original fund was apportioned in 1974, following Local Government Reorganisation to the 3 Glamorgan Counties of:- South, Mid and West. Following further reorganisation in 1996, the Fund of the former West Glamorgan County Council was apportioned on a population basis between Neath Port Talbot County Borough Council and the City and County of Swansea.

This report relates to the portion of the Fund now managed by Neath Port Talbot County Borough Council.

Trustees: Neath Port Talbot County Borough
Council, who have delegated
responsibility to the Finance Panel, and
its successors the Strategic Resources
Board, Policy and Resources Cabinet
Committee and Policy and Resources
Cabinet Board.

The following advisors have assisted the Trustees in the year:

Honorary Treasurer: Mr. D.W. Davies
Director of Finance & Corporate Services
Neath Port Talbot County Borough
Council
Civic Centre
Port Talbot SA13 1PJ

Independent Examiner: Mr Richard Harries
On behalf of the
Auditor General for Wales
24 Cathedral Road
Cardiff CF11 9LJ

Bankers: Santander Commercial Bank
Bridle Road
Bootle
Merseyside L30 4GB

Fund Manager: Fieldings Investment Management
Limited
6 Kinghorn Street
London EC1A 7HW

Restriction on Application of Income

The object of the fund shall be to receive grant applications from charities and voluntary bodies which are based in, or active in, or provide significant benefits to some or all of the residents of the Neath Port Talbot County Borough area, and in accordance with the ‘Guidelines for Grant Applications’.

A copy of these Guidelines are attached at pages 5 and 6.

Power of Investment

The Trustees may out of the Fund acquire any land which is required for the purposes of the scheme, and invest income in any investment from time to time sanctioned by law for the investment of trust funds or in authorised security created by the local authority.

The Chief Executive shall act as the Clerk to the Trustees and the Director of Finance and Corporate Services shall act as Treasurer of the Fund.

Aims of the Fund

The aim of the Trustees is to make grant payments for charitable purposes in accordance with Schedule 1 Paragraph 19 of the governing document.

A copy of this Schedule is attached at pages 7-10.

Review of Financial Activities 2011/12

Income.

Income for 2011/12 totalled £9,427 (£3,470 in 2010/11) and comprised of short term investments and estate rentals.

There was an increase in returns on cash investments from £2,607 in 2010/11 to £8,624 in 2011/12. Estate rental income totalled £938 in 2011/12.

Expenditure.

Expenditure in the year exceeded income by £20,442 (£17,462 deficit in 2010/11) with a corresponding reduction in the income accumulation fund balance. At 31st March 2012 this fund balance stood at £89,643.

The Charity made grant payments totalling £19,408 during the year, an increase of £2,350 (14%) on the previous year. A full analysis of grants paid is attached at page 21 of the Financial Statements.

In October 2008, in order to protect the future sustainability of the fund the Fund Grant Application Guidelines were amended so that:

- the maximum grant normally awarded was restricted to £2,000 for new applications, and
- an eligibility time limit of 2 years is applied from the date of approval

In order to further protect the fund new applications for grants were suspended for 2011/12.

Tangible Fixed Assets.

There were no revaluations of tangible fixed assets during the year, and totalled £84,722 at 31st March 2012.

Fixed Asset Investments.

Fixed assets investments at 31st March 2012 total Nil.

Short Term Investments.

The total amount of short term cash investments with Neath Port Talbot CBC at the year end was £482,605, a decrease of £26,394 from the previous year.

Signed for and on behalf of the Trustees.

_____ (Honorary Treasurer)

_____ (Date)

Welsh Church Acts Fund

Guidelines for Grant Applications

- a) Each application will be considered on its merits.
- b) Grants will only be awarded to charities and voluntary bodies which are based in, or active in, or provide significant benefits to some or all of the residents of the Neath Port Talbot County Borough area.
- c) Grants will only be awarded to individuals in exceptional circumstances.
- d) Grants will not normally exceed £2,000 and in exceptional circumstances £10,000 per applicant and successful applicants will not normally be reconsidered for a further grant within 3 years of the date of approval of the last grant.
- e) Grants will have a time limit for the take up of said grant of two years from the date of approval.
- f) Grants will not normally be awarded where the service could be dealt with out of the annual budget of the Council's service Committees activities or by other public bodies.
- g) Grants will not normally be awarded where they would commit the fund to regular annual payments nor will recurring annual expenses be supported.
- h) Grants will only be made out of the income of the fund, preserving the Fund's capital assets.
- i) Priority will be given to applications which are of significant benefit to the Neath Port Talbot County Borough area.
- j) Grant aid will not normally cover the full cost of a project/proposal and normally will be approved at 60% of actual costs incurred up to the maximum as outlined in condition (d) above.
- k) Organisations assessed as being able to meet the cost (e.g. by size or nature) are unlikely to receive any grant aid.
- l) Grants towards work of a structural nature will only be considered where:
 - there is evidence that a professional assessment has been made of the works;
 - the applicant organisation can demonstrate that there is no other impediment to work proceeding at an early date (e.g. planning permission).

- m) In the case of Churches and Chapels grants will only be approved for the repair of the fabric of buildings which are more than 50 years old and of the highest architectural and historic interest. Church halls, however, where available and used significantly by the public for non-religious purposes will not be subject to these criteria.
- n) No retrospective applications are considered.
- o) The Panel will take into account the Church membership and the normal size of the congregation
- p) In the case of students undertaking further Education courses, contributions towards the costs of individual instruments or pieces of equipment etc. will be made on the following basis:-

50% of all costs over a threshold of £2000 up to a maximum grant of £1500.

SCHEDULE 1 Paragraph 19

The Charitable purposes for which the Fund may be applied

The Advancement of Education

Educational

1. The provision of benefits which are not readily available from other sources for persons of any age in one or more of the following ways:-
 - (i) the award of scholarships, bursaries, loans or maintenance allowances to enable or to assist study at any school, university or other place of learning, approved by the Council, which may if the Council think fit include allowances to dependents.
 - (ii) the provision of financial assistance, outfits, clothing tools, instruments, other equipment, or books or loans to enable pupils or students on leaving school, university or any other educational establishment to prepare for, or to assist their entry into a profession, trade or calling.
 - (iii) the award of scholarships or maintenance allowances or loans to enable beneficiaries to travel abroad to pursue their education.
 - (iv) the provision, or assistance towards the provision of facilities of any kind not normally provided by a local education authority, or a grant maintained school, for recreation, social and physical training at a school, university or other educational establishment.
 - (v) the provision of financial assistance to enable pupils and students to study music or other arts.
 - (vi) the provision of financial assistance to enable beneficiaries to undertake apprenticeships.

Libraries, Museums, Art Galleries etc.

2. The advancement of knowledge and appreciation of the arts and literature of Wales and, in particular, in furtherance of those purposes but without prejudice to the generality thereof –
 - (i) the establishment, maintenance, replenishment or aiding of charitable institutions, libraries, museums, art galleries; or art, scientific or industrial exhibitions (including exhibitions relating to industrial archaeology); whether national or local, for the principal use and benefit of the Welsh people;

- (ii) the assistance of charitable societies for study and research in subjects connected with Welsh history, topography, literature and life;
- (iii) the provision of lectures, exhibitions and equipment;
- (iv) the acquisition, preservation and publication of records and documents;
- (v) the provision of suitable premises (by erection, purchase, lease or hiring for occasional use) for any of the purposes authorised by this paragraph.

The Relief of Poverty Relief in Need

- 3. The relief either generally or individually of persons who are in conditions of need, hardship or distress by the making of grants of money or the provision of, or payment for, items, services or facilities calculated to reduce the need, hardship or distress of such persons.

The Advancement of Religion Places of Worship and Burial Grounds

- 4. The contribution towards the restoration and maintenance of any place of public worship or any burial ground.

Other Purposes Beneficial to the Community

i. Relief in Sickness

- 5. The relief in cases of need of persons who are sick, convalescent, disabled, handicapped or infirm by the provision of, or payment for, items, services or facilities which are calculated to alleviate the suffering or assist the recovery of such persons, but which are not readily available to them from other sources.

Elderly Persons

- 6. The provision, or assisting in the provision of accommodation for elderly persons who by reason of the infirmities and disabilities of age have need of such reception, care and attention. The provision of funds to organisations promoting the welfare of elderly persons.

Social and Recreational

- 7.(1) The provision of, or assisting in the provision of, facilities for recreation or other leisure time occupation being facilities which are available to the members of the public at large and which are provided in the interests of social welfare with a view to improving the conditions of life of the persons for whom they are intended and, in particular, in furtherance of those purposes but without prejudice to the generality thereof, the provision of, or assisting in the provision of, playing fields, other sporting facilities, parks, open spaces and centres or halls for meetings, lectures or classes.
- (2) Sub-paragraph (1) is intended, in particular, to be concerned with the provision of, or assisting in the provision of, facilities etc. to persons in need by reason of their youth, old age, infirmity or disablement, poverty or social and economic circumstances.

Aesthetic, Architectural, Historical and Scientific Matters

8. The advancement of the education and public benefit of the Welsh people by promoting their interest in aesthetic, architectural, historical or scientific matters relating to Wales and in particular in furtherance of those matters but without prejudice to the generality thereof -
- (a) the acquisition and preservation of -
- (i) land of special interest in relation to science and nature history;
- (ii) land, buildings or objects of beauty or of historic or architectural interest.
- (b) the acquisition, preservation and publication of records and documents of historic interest.

Medical and Social Research, Treatment, Etc.

9. The preservation and protection of the physical and mental health of society and, in particular, in furtherance of those purposes but without prejudice to the generality thereof -
- (a) the advancement of education in the theory and practice of medicine;
- (b) the promotion of medical and social research and schemes for the prevention and treatment of disease and publishing the results of such research;

- (c) the provision of nursery and convalescent homes and hostels.

Probation Etc.

- 10. Making grants in cases of need for the assistance of -
 - (a) persons placed on probation, or children and young persons from community homes or any other institution of a substantially similar nature established under statutory authority;
 - (b) the families of any such persons, children or young persons; or
 - (c) discharged prisoners.

People who are Blind or Visually Impaired

- 11. Provision for the welfare of persons who are blind or visually impaired, including the provision of charitable homes and holiday homes.

Emergencies or Disasters

- 12. The contribution towards the alleviation of the effects of emergencies or disasters involving destruction of or danger to life, and property and directly assisting persons in need as a result of such emergencies and disasters.

Other Charitable Organisations

Contributions towards charitable organisations, the purposes of which are consistent with the provisions of this Schedule or the Welsh Church Acts 1914 to 1945

Report of the independent examiner to the Trustee of Neath Port Talbot Welsh Church Acts Fund

I report on the accounts of Neath Port Talbot Welsh Church Acts Fund for the year ended 31 March 2012 which are set out on pages 13 to 21

Respective responsibilities of trustees and independent examiner

The charity's trustees are responsible for the preparation of the accounts. The charity's trustees consider that an audit is not required for this year under section 144(2) of the Charities Act 2011 (the 2011 Act) and that an independent examination is needed.

It is my responsibility:

- to examine the accounts under section 145 of the 2011 Act;
- to follow the procedures laid down in the general Directions given by the Charity Commission under section 145(5)(b) of the 2011 Act; and
- to state whether particular matters have come to my attention.

Basis of independent examiner's report

My examination was carried out in accordance with the general Directions given by the Charity Commission. An examination includes a review of the accounting records kept by the charity and a comparison of the accounts presented with those records. It also includes consideration of any unusual items or disclosures in the accounts, and seeking of explanations from you as trustees concerning any such matters. The procedures undertaken do not provide all the evidence that would be required in an audit and consequently no opinion is given as to whether the accounts present a 'true and fair view' and the report is limited to those matters set out in the statement below.

Examiner's statement

In connection with my examination, no matter has come to my attention:

- which gives me reasonable cause to believe that in any material respect the requirements:
 - to keep accounting records in accordance with Section 130 of the 2011 Act; and
 - to prepare accounts which accord with the accounting records and comply with the accounting requirements of the 2011 Act;
 - have not been met; or
- to which, in my opinion, attention should be drawn in order to enable a proper understanding of the accounts to be reached.

Richard Harries
On behalf of the Auditor General for Wales

Wales Audit Office
24 Cathedral Road
Cardiff CF11 9LJ

Date:

NEATH PORT TALBOT WELSH CHURCH ACTS TRUST FUND

STATEMENT OF FINANCIAL ACITIVITIES FOR THE YEAR ENDED 31ST MARCH 2012

	Note	Unrestricted Funds	Restricted Funds	Endowment Funds	Total Funds 31 st March 2012	Total Funds 31 st March 2011
		£	£	£	£	£
INCOMING RESOURCES						
Investment income:						
Long Term Investments	2		-	-	-	
Short Term Investments	3	8,624	-	-	8,624	2,607
Other incoming resources:						
Sale of Land		-			-	-
Estate Rentals	4	938	-	-	938	863
Total Incoming Resources		9,562	-	-	9,562	3,470
RESOURCES EXPENDED						
Charitable activities:						
Grants	5	19,408	-	-	19,408	17,058
Governance costs:						
Professional Fees	6	-	-	-	-	-
Accountancy, Legal & Independent Examiners Fees		3,987			3,987	3,424
Other Services		6,609	-	-	6,609	450
Total Resources Expended		30,004	-	-	30,004	20,932
NET INCOMING /(OUTGOING) RESOURCES BEFORE TRANSFERS						
		(20,442)	-	-	(20,442)	(17,462)
Transfers between funds		-	-	-	-	-
		(20,442)	-	-	(20,442)	(17,462)
OTHER RECOGNISED GAINS AND LOSSES						
Losses on maturity of investment assets		-	-	-	-	-
Unrealised gains / (losses) on investment assets		-	-	-	-	-
Unrealised gains on revaluation of fixed assets		-	-	-	-	-
NET MOVEMENT IN FUNDS		(20,442)	-	-	(20,442)	(17,462)
Total Funds brought forward		596,062	-	-	596,062	613,524
Total Funds carried forward		575,620	-	-	575,620	596,062

NEATH PORT TALBOT WELSH CHURCH ACTS TRUST FUND

BALANCE SHEET AS AT 31ST MARCH 2012

	Notes	31 March 2012		31 March 2011
		£	£	
Fixed Assets				
Tangible Assets	7		84,722	84,722
Investments	8		-	-
Total Fixed Assets			<u>84,722</u>	<u>84,722</u>
Current Assets				
Debtors	9	9,522		3,369
Short Term Investments	8	482,605		508,998
Cash at bank		-		-
Total Current Assets		<u>491,127</u>		<u>512,368</u>
Liabilities				
Creditors: Amounts falling due within 1 year	10	(1,229)		(1,028)
Total Current Liabilities		<u>(1,229)</u>		<u>(1,028)</u>
Total Net Current Assets			490,898	511,340
Total Assets Less Current Liabilities			<u>575,620</u>	<u>596,062</u>
Creditors Falling Due After 1 Year			-	-
NET ASSETS	11		<u>575,620</u>	<u>596,062</u>
Represented By The Funds of the Charity				
Unrestricted Income Funds	12			
Fund balance		485,977		485,977
Income Accumulation Account		89,643		110,085
TOTAL CHARITY FUNDS			<u>575,620</u>	<u>596,062</u>

NEATH PORT TALBOT WELSH CHURCH ACTS TRUST FUND

NOTES TO THE FINANCIAL ACCOUNTS FOR THE YEAR ENDED 31ST MARCH 2012

1. Accounting Policies

General

The accounts have been prepared in accordance with :

- a) the Statement of Recommended Practice – “Accounting and Reporting by Charities” – and with due regard to general accounting policies and procedures (SORP 2005).
- b) the Charities Act 2011 and other legislative requirements.
- c) the historic cost basis of accounting except for investments and fixed assets which have been included at market value.
- d) Accounting Standards.

Basis of Accounting

The accounts have been prepared using the accruals basis. There was no change in this basis. Grants are recognised on a cash basis, i.e. when payments of grants to external organisations are made, rather than when they are approved.

2. Investment Income – Long Term Investments

There were no investments in Treasury Stocks during 2011/12.

3. Investment Income – Short Term Investments

The Welsh Church Acts Fund has short term cash deposits with Neath Port Talbot County Borough Council. These investments operate on an instant access basis, and interest is calculated based on average 7-day money market rates. The average interest rate for 2011/12 was 1.07% (0.5% in 2010/11). Accrued interest is reinvested annually on 1st April.

Details of short term deposits are provided at **Note 8**.

4. Other income

The Welsh Church Acts Fund receives rental income from various properties, land and wayleaves. Further details of the properties are attached at **page 19 & 20**.

5. Grants

Grant payments made in 2011/12 totalled £19,408. Details of these payments are provided at **page 22**.

6. Governance costs

Professional Fees

No professional fees were paid in 2011/12 due to there being no investments in Stocks or bonds or asset sales.

Independent examiners fee for reporting on the accounts £1,276.80 (2010/11 £924).

Payments of £2010 (£2000 in 2010/11) and £500 (both years) have been paid to Neath Port Talbot Council re Finance and Legal work respectively.

7. Fixed Assets

There were no revaluations during the year. Fixed assets were last revalued on 1st March 2008 by Gareth Nutt, Head of Property & Regeneration. Details of the assets and valuations at 31st March 2012 are attached at **pages 20 & 21**.

8. Investments

	Treasury Stock	Short-Term Deposits
	£	£
Market Value at 31 st March 2011	-	508,998
Additions/Investments	-	2,607
Disposals/Withdrawals	-	(29,000)
Net investment gains/(losses)	-	-
Market value at 31st March 2012	0	482,605

9. Debtors and Prepayments

	2011/12	2010/11
	£	£
Accrued income		
Investment interest	8,624	2,607
Estate Rental	898	762
Total falling due within one year	9,522	3,369

10. Creditors: Amounts falling due within one year	2011/12	2010/11
	£	£
Creditors and accruals		
Professional fees	-	-
Independent examination fees	(1,200)	(1,000)
Estate rental prepayments	(29)	(28)
	(1,229)	(1,028)

11. Analysis of net assets by fund – unrestricted and restricted income fund

	2011/12		
	Unrestricted Funds	Restricted Funds	Total Funds
	£	£	£
Fixed assets	84,722	-	84,722
Current assets	492,127	-	492,127
Current liabilities	(1,229)	-	(1,229)
Total	575,620	-	575,620

12. Analysis of funds – Investment and unrestricted income funds

	Balance 31/03/11	Receipts	Utilised / released	Transfers	Gains / losses	Balance 31/03/12
	£	£	£	£	£	£
Income	110,085	9,562	(30,004)	-		89,643
Fund Balance	485,977					485,977
Total	596,062	9,562	(30,004)	-	-	575,620

13. Commitments and contingencies

The Fund has made commitments to external organisations for grants already approved and pending payment, which is not quantified within the accounts, because the conditions of the grant mean that not all approved grants are paid out.

Approved grants still unpaid at 31 March 2012, totalled £63,300, at maximum contribution. The income accumulation fund balance at 31 March 2012 stood at £89,643 and is able to meet this commitment.

Whilst the approved grants still unpaid as at 31.3.12 total £63,300, it is most unlikely that grants approved pre 31st August 2008 (now over 4.5 years old) will ever be paid. These total £36,900. A prudent estimate of outstanding commitments would therefore be closer to £30,000.

The fund is not committed to any expenditure other than approved grants pending payment.

There were no contingent gains or losses that require inclusion in the accounts.

14. Related party transaction

There were no related party transactions in the year, other than the £2,510 fee (2010/11 - £2,500) paid to Neath Port Talbot County Borough Council disclosed at **note 6**.

NEATH PORT TALBOT WELSH CHURCH ACTS TRUST FUND

INVESTMENTS 2011/12

Quantity (Capital)	Opening Balance/ Market Value 01/04/2011 £	Closing Balance/ Market Value 31/03/2012 £	Total Interest 2011/12 £	
NPT Loans Fund	-	508,999.60	482,605.16	8,624.06
TOTALS		508,999.60	482,605.16	8,624.06

NEATH PORT TALBOT WELSH CHURCH ACTS TRUST FUND
TANGIBLE FIXED ASSETS, AGRICULTURAL LAND AND BUILDINGS AND FREEHOLD REVERSIONS

Estate	Details	Address	Fixed Assets 01/04/11 £	Sales £	Revaluation £	Fixed Assets 31/03/12 £
Vale of Neath						
	Residential Neath	78 Llantwit Road,Neath	11,270			11,270
	Residential Neath	80 Llantwit Road,Neath	12,600			12,600
	Agricultural Neath	1 Brynawel Road,Cimla	0			0
	<i>Description amended to read as follows:</i>					
	Agricultural Land Neath	Llantwit Road Neath opp St.Illtyds Church	4,250			4,250
	Agricultural Land Neath	Llantwit Road Neath opp.St Illtyds Church, Glebe under canal	100			100
	Land Cadoxton Neath	5.4 Acres at Cwmbach Road	7,000			7,000
	Land Cadoxton Neath	3.74 Acres North of Cwmbach Road	2,000			2,000
	Land Cadoxton Neath	0.4 Acres South of Cwmbach Road	500			500
	Misc.Interest Cadoxton Neath	Garage Site,Cwmbach Road	1,500			1,500
	Misc.Interest Cadoxton Neath	Garage Site, Glebeland Street	1,500			1,500
	Land Cadoxton Neath	Land and stream adjoining 25 Church Road	1			1
	Total Vale of Neath		40,721	0	0	40,721
Vale of Glamorgan - Agricultural						
	Michaelston Super Ely with St.Brides	St-y-Nyll	20,200			20,200
	Peterston-Super-Ely	Gwern y Gae Uchaf Farm	10,500			10,500
	Peterston-Super-Ely	Backway Farm	12,500			12,500
	Total Vale of Glamorgan Agricultural		43,200	0	0	43,200

AP19

Estate	Details	Address	Fixed Assets	Sales	Revaluation	Fixed Assets
			01/04/11			31/03/12
			£	£	£	£
Vale of Glamorgan - Wayleaves						
	St.Brides Super Ely	0018 & 7200 electricity wayleave	145			145
	St.Brides Super Ely	0018 & 7200 electricity wayleave	15			15
	St.Brides Super Ely	0018 & 7200 electricity wayleave	320			320
	St.Brides Super Ely	0018 & 7200 electricity wayleave	300			300
	St.Brides Super Ely	0018 & 7200 electricity wayleave	15			15
	St.Brides Super Ely	0018 & 7200 electricity wayleave	1			1
	St.Brides Super Ely	0018 & 7200 electricity wayleave	5			5
	Total Vale of Glamorgan - Wayleaves		801	0	0	801
TOTAL FIXED ASSETS			84,722	0	0	84,722

AP20

NEATH PORT TALBOT WELSH CHURCH ACTS TRUST FUND

GRANTS PAID 2011/12

Year of Approval		Payments 2011/12
		£
2009-10	Jerusalem Baptist Church Neath	2,000
2009-10	Ainon Baptist Church Neath	1,086
2008-09	Llewellyn Armshouses	4,000
2006-07	Calafaria Baptist Church, Cwmgwrach	2,322
2010-11	St Matthews Church, Byncoch	2,000
2010-11	St Theodore's Church, Port Talbot	2,000
2011-12	The Gospel Hall, Port Talbot	2,000
2011-12	Ebenezer Chapel, Glynneath	2,000
2011-12	St Margaret's Church, Crynant	2,000
TOTALS		19,408

SECTION B – MATTERS FOR INFORMATION

ITEM 5

TREASURY MANAGEMENT MONITORING 2012/13

1. Purpose of Report

This report sets out treasury management action and information since the previous report.

2. Rates of Interest

Bank base rates continue to be at an all time low of 0.5% (since 5th March 2009) and detailed below are the changes in the bank base rate since April 2008.

Effective Date	Bank Rate
10 April 2008	5.00%
08 October 2008	4.50%
06 November 2008	3.50%
04 December 2008	2.00%
08 January 2009	1.50%
05 February 2009	1.00%
05 March 2009 to date	0.50%

The following table provides examples of external borrowing costs as provided by the Public Works Loans Board as at 26th November 2012.

	Equal Instalments of Principal		Annuity		Maturity	
	Previous 09 Oct 12	Current 26 Nov 12	Previous 09 Oct 12	Current 26 Nov 12	Previous 09 Oct 12	Current 26 Nov 12
	%	%	%	%	%	%
5-5.5 years	1.33	1.47	1.33	1.47	1.79	1.95
10-10.5 years	1.79	1.95	1.81	1.97	2.77	2.88
20-20.5 years	2.77	2.88	2.87	2.98	3.81	3.82
35-35.5 years	3.63	3.66	3.84	3.85	4.27	4.20
49.5-50 years	4.06	4.03	4.23	4.17	4.22	4.16

3. General Fund Treasury Management Budget

The following table sets out the treasury management budget for 2012/13 and consists of a gross budget for debt charges i.e. repayment of debt principal and interest, and interest returns on investment income. Members should note that the revised budget is expected to be some £869k less than the original budget requirement and this sum will be transferred to the general reserve.

	2012/13 Original Budget £'000	2012/13 Revised Budget £'000
Debt Charges	17,037	16,398
Investment Income		
- Total	-780	-1,040
- Allocated to other funds	170	200
- General Fund	-610	-840
Net General Fund	16,427	15,558

NB: Other funds include Trust Funds, Social Services Funds, and Schools Reserves etc.

4. Borrowing

No new loans have been arranged to date and this is in line with the Treasury Management Strategy for 2012/13. However, it is possible that new external borrowing will be entered into during the 4th quarter of 2012/13 if interest rates are deemed to be appropriate. This is in line with the Treasury Management Strategy approved by Council in March 2012.

5. Investment Income

In line with the Council's Investment Strategy, the 2012/13 Revised Budget for investment income is £1.04m and income generated to date totals £0.9m. Members should note that all investments are classified as 'specified' i.e. up to 12 months and are currently with the major banks including HSBC, Barclays,

Lloyds Group, Bank Santander, Clydesdale, and RBS. The Council also has two investments with Lancashire County Council.

Members should note the following position in relation to the recovery of monies from investments in Icelandic related banks:

Table 1 – Original Investments

Bank	Original Investment	Amount of Principal Repaid	Current Outstanding Investment
	£'000	£'000	£'000
Glitnir	2,000	2,000	0
Heritable	9,000	6,818	2,182
KSF	3,000	2,346	654
Landsbanki Islands HF	6,000	2,995	3,005
	20,000	14,159	5,841

In addition to the amounts listed above, an additional £50k was received in relation to the Glitnir Bank settlement. This £50k was in respect of interest due on the original investment.

Table 2 – Investments Held in Escrow Accounts – Icelandic Kroner

Bank	Investment (Sterling Equivalent)	Amount Repaid	Outstanding Investment
	£'000	£'000	£'000
New Glitnir	387	0	387
New Landsbanki	47	0	47
	434	0	434

Some of the investments matured by the old Glitnir and Landsbanki banks have resulted in cash being held in the form of Icelandic Kroner. In line with Icelandic law, the Kroner is not tradable and can only be spent within Iceland. The Local Government Association is pursuing ways of transferring these investments to realise repayments into Sterling. These new investments with the new banks are held in Escrow Accounts in the name of the local authority and generating interest in excess of 3%.

Since the last report to Members, a second distribution has been received from the administrators of KSF. The total amount received was £92,589.76 on 2nd November; this amount is reflected in the above tables.

List of Background Papers

Treasury Management Files
PWLB Notice Number

Appendix

None

Wards Affected

All

Officer Contact

For further information on this report item, please contact:

Mr. Hywel Jenkins - Head of Financial Services

Tel. No. 01639 763646

E-mail: h.jenkins@npt.gov.uk

Mr Huw Jones – Chief Accountant – Capital and Exchequer

Tel No: 01639 763575

E-mail: h.jones@npt.gov.uk

Mr Ross Livingstone – Senior Accountant

Tel No: 01639 763590

Email: r.livingstone@npt.gov.uk

ITEM 6

PROCUREMENT TENDERING AND EVALUATION PROCESSES

1. Purpose of Report

- 1.1 To provide Members with an overview of the Procurement Tendering and Evaluation Processes.

2. Background

- 2.1 At the Board's last meeting Members requested a report on the procurement tender and evaluation process and the role of Members in the evaluation process.
- 2.2 During 2011/12 the Welsh Purchasing Consortium commissioned Spikes Cavell to analyse the spend data for each Local Authority for 2010/11 and 2011/12. This showed that the information relating to Neath Port Talbot Council for each year is as follows:

	2010/11	2011/12
Total Paid	£177.9m	£188.4m
Total number of Payees	2,199	1,922
Total number of Transactions	102,605	74,304

NB: The above relates to all payments over £1,000 per payee per annum excluding Comprehensive Schools

3. Procurement Contracts

- 3.1 Members should note that the Council is part of the Welsh Purchasing Consortium (WPC), a group of 16 Local Authorities covering South and Mid Wales. The WPC share the work between them for some 65 contracts, of which this Council is responsible for the following:

- (a) All Wales Library Books.
- (b) All Wales Library Audio Visual Supplies.
- (c) All Wales Supply of Tyres and Associated Services.
- (d) Supply of Kitchen Furniture.
- (e) Supply of Macadam and Aggregates.

- (f) Supply of Readymix Concrete.
- (g) Supply of Educational Aids.

3.2 Each Local Authority works with individual Service Users and identifies service need, volume required and prepares tender specification in order to go to the market to secure value for money in its contracts award. Most of these contracts are via framework agreements for a specific period e.g. 3 years sometimes with an extension period of 1 year.

For example Tyres contract allows for each Council to choose from their own geographical area the best supplier for them to use.

- 3.3 The Council also procures its own contracts for goods/services we require ourselves. These include major construction/infrastructure contracts, training, banking, etc.
- 3.4 All supply contracts with a valuation in excess of £173,934 have to be advertised OJEU compliant and therefore the Council uses the Buy/Sell to Wales website to offer all of its contracts to the market and ensure compliance.

4. Tendering and Evaluation Process

4.1 The Council's Constitution incorporate the Authority's Contract Procedure Rules and a copy of the first page of this document is attached at Appendix 1, together with some relevant extracts and comments.

4.2 Members should be aware that in relation to best practice the Council must follow the following procedure in awarding contracts.

- The Procurement Section develop the tender document and specification with relevant department
- Tender opportunity is advertised on national procurement website (sell2wales.co.uk)
- Expressions of interest for tender document received and tenders issued to suppliers
- Tenders received and opened with Legal Services and Cabinet Members

- Tenders then evaluated by various departments e.g procurement, client department, health & safety.
- Procurement finalise scoring and determine successful supplier
- Contract approval then sought either through Head of Service or through Cabinet Board
- Procurement issue award and unsuccessful letters to suppliers
- Procurement / Legal draw up and finalise signing of contract with successful supplier(s)

5. Other Considerations

- 5.1 The Welsh Government are promoting the establishment of a National Procurement Service, which will be responsible for procuring some 23% of public sector purchases. The Minister is seeking confirmation before the end of the calendar year from each Council as to their buy-in to this National Service which will cover Local Government, Health, Police, Fire and Higher Education. A report is currently being prepared for consideration by Cabinet Board for the 13th December.
- 5.2 It is proposed to include a review of procurement arrangements by the Policy and Resources Scrutiny Committee during 2013.

List of Background Papers

Procurement Files
Contract Procedure Rules

Appendix

None

Wards Affected

All

Officer Contact

For further information on this report item, please contact:

Mr. Hywel Jenkins - Head of Financial Services

Tel. No. 01639 763646

E-mail: [**h.jenkins@npt.gov.uk**](mailto:h.jenkins@npt.gov.uk)

Mr Dave Rees – Chief Internal Auditor

Tel No: 01639 763634

E-mail: d.rees1@npt.gov.uk

Mr. Stuart Smith – Corporate Procurement Manager

Tel No: 01639 763928

E-mail: s.d.smith@npt.gov.uk

**Neath Port Talbot County Borough Council
Contracts Procedure Rules**

1. Introduction
2. Invitations to Tender
3. Exclusion from requirements of Competition
4. Appointment of Private Consultants
5. Tendering Procedure
6. Alterations
7. Acceptance
8. Nomination of Sub-Contractors and Suppliers
9. Form of Contract
10. Liquidated Damages
11. Performance Bonds
12. Parent Company Guarantee
13. Declaration of Non Collusion Certificate
14. Prevention of Corruption
15. Termination
16. Assignment and Subletting
17. Specifications and Standards
18. Quotations for Estimates of Prime Costs and Provisional Sums
19. Variations
20. Cost Control
21. Site Records
22. Members of the Council
23. Pre-Tender discussions/Post-Tender negotiations
24. Disposal of Surplus Goods
25. Welsh Language Scheme
26. Equal Opportunities

Extract from Contract Procedure Rules

Please note that the text in **bold** incorporated below are actual extracts from the CPR document.

The processes regarding the opening of tenders are included in the Authority's Contract Procedure Rules (CPR's). These rules include guidance on the role of members in the process.

A Council Member is expected to be present at the opening of the tenders:

Appendix 1 Section 2 – Return of Tenders

The Committee Section will arrange for the Member of the Cabinet or other Committee for the Processing Directorate to attend the opening which is to be arranged, where possible, on the afternoon of the Tenders closing date.

The CPR's are also clear on who should be present at the opening of any tenders:

Appendix 1 Section 4 – Opening of Tenders

Present at the opening will be the custodian of the Tender from Legal Services and the following personnel:

A Member of the Cabinet or other Committee of the Processing Directorate and Head of Service from the Processing Directorate or his nominated representative.

Where a member of the Cabinet or other Committee of the Processing Directorate is unavailable, then any Member of the Cabinet or other Committee Member can be used as a substitute.

The Head of Legal and Democratic Services and Head of Procurement may be present at any tender opening, at their discretion.

The CPR's detail quite clearly what the tender opening process should be in terms of how they are opened, in what order and what recordings should be made. It then says that once all necessary recordings of the tender opening have been made:

The Tenders shall be taken by the Head of Service (or other officer) of the Processing Directorate and the receipt in the Register of Corporate Tenders shall be signed accordingly.

It is at this stage that the tender evaluation should take place. There is no provision in the CPR's for members to be involved in the tender evaluation process. The CPR's however do not document the actual tender evaluation process as this will vary between tenders due to the diverse nature of contracts and consequently tender documents that are received. The next process detailed by the CPR's is after the tender evaluation has been carried out:

Appendix 1 Section 5 – Post Evaluation of Tenders

After evaluation of the Tenders:

- 1. the successful Tender together with two copies thereof, the successful Tender envelope and the confirmation of acceptance are to be sent by the Processing Directorate to the Head of Legal and Democratic Services with instructions to prepare the Contract, and**
- 2. all unsuccessful tenders are to be retained in their Tender envelopes by the Processing Directorate for a period of six years.**