



Chesham

TOWN COUNCIL

Chesham Town Hall
Baines Walk, Chesham, Bucks, HP5 1DS

01494 774 842
enquiries@chesham.gov.uk
www.chesham.gov.uk

Tuesday 11th July 2023

Dear Councillor,

I hereby give you notice of a **Meeting of the CORPORATE SERVICES COMMITTEE** to be held in the Council Chamber, Town Hall, Chesham, on **MONDAY 17 JULY 2023 at 7.30pm:**

Agenda

1. Apologies for absence
2. Declarations of interests
3. Minutes of previous Corporate Services meeting 12th June 2023
4. Action Tracker
5. Internal Auditor Report - to consider the report of the Internal Auditor
6. Issues arising from completion of 2022/23 AGAR
7. Bank mandate - to ensure NatWest have all up to date information
8. Elgiva - to note an update from the Head of Operational Services on the condition of the Elgiva roof and that a full report and outline tender specification will be presented to the next Full Council meeting
9. Lowndes Room - to provide members with an update on Chesham Museum renting the Lowndes Room and the draft Heads of Terms
10. Annual Donations Scheme - to consider revisions to the Annual Donations Scheme.
11. CEO Recruitment: To determine the salary scale and terms and conditions for appointment of the CEO and to delegate authority to the Sub Group to agree the job description, method of advertisement, selection process and to recommend an appointment to Full Council.

Yours sincerely,

Nina Villa
Interim CEO/ Town Clerk

Cllr Alan Bacon
Cllr Joseph Baum (Chair)
Cllr Simon Booth
Cllr Majid Ditta
Cllr Mohammed Fayyaz

Cllr Justine Fulford
Cllr Francis Holly
Cllr Chasey Hood
Cllr Rachael Matthews

The agenda will be circulated to all members of the Council
THE MEETING IS OPEN TO THE PUBLIC

Chesham Town Council is twinned with Friedrichsdorf Germany; Houilles France; Archena Spain

CHESHAM TOWN COUNCIL
MINUTES of the meeting of the CORPORATE SERVICES COMMITTEE

held on 12th June 2023

Councillors:

Councillor Alan Bacon
Councillor Joseph Baum
Councillor Simon Booth
Councillor Majid Ditta

Councillor Mohammad Fayyaz
Councillor Francis Holly
Councillor Chasey Hood
Councillor Rachael Matthews

In attendance:

Louise Steele
Ashley Myers
Georgina Fernandez

Interim RFO
Head of Corporate Services
Democratic Services Officer

Prior to the meeting commencing, Councillor Baum welcomed and introduced Louise Steele, Interim RFO to members.

7. APOLOGIES FOR ABSENCE

Apologies for absence were received from Councillor Fulford. These were noted and accepted by members.

8. DECLARATIONS OF INTEREST

There were no declarations of interest.

9. MINUTES OF PREVIOUS MEETINGS

These were noted and approved by members.

10. ACTION TRACKER

This was noted and approved by members.

RESOLVED:

- i) **Councillor Baum to liaise with The Community, Economy & Environment Manager for an update on the installation of LED lights & solar panels**

11. DRAFT TERMS OF REFERENCE

RESOLVED:

- i) **These were noted and approved by members to be presented to full Council on Monday 19th June, 2023**

12. YEAR END FINANCIAL POSITION 2022-2023

The Interim RFO introduced the report which she said was self-explanatory, the bottom line being that there was overspend in the financial year 2022/23 against the budget, and as a consequence a lot of reserves are starting to be used. The Council is not blessed with huge reserves, and the on-going pressure on them gives cause for concern.

Councillor Baum said that The Interim RFO was right to mention the reserves and asked if there were any items in the spend that she would flag, thinking longer term. The Interim RFO replied that she did not currently have that knowledge and had not looked at patterns of expenditure.

Councillor Booth said that we need to be conscious of our reserves and this is a conversation going forward about our spending requirements.

Councillor Holly asked if there are any savings going forward that can be looked at. The Interim RFO confirmed that the budget for the year had already been set which already has pressures. For an ambitious council there is an issue with spending against finances and that she was happy to review this. Councillor Matthews was of the view that this was needed as a priority, as if we have used reserves we need to be realistic about what we can achieve.

RESOLVED:

- i) Interim RFO to review finances, spending against reserves, and report to the extraordinary Corporate Services Committee on 17th July 2023**
- ii) That members approve the year end final accounting position for 2022-23**
- iii) That members approve the unaudited statement of accounts for 2022-23**

13. EXTRAORDINARY CORPORATE SERVICES COMMITTEE 17th JULY 2023

Councillor Baum confirmed that an extraordinary meeting was required on 17th July as there is a statutory requirement to sign-off the AGAR documentation. The Interim RFO confirmed that the internal auditor was visiting on June 27th and that a report should be completed by early July to review at this meeting.

RESOLVED:

- i) Democratic Services Officer to set-up the Extraordinary Corporate Services Committee on July 17th and circulate invitations to members**

14. UPDATE ON CEO & INTERIM RECRUITMENT

Councillor Baum confirmed that an exit interview with The Chief Executive Officer had taken place, with The Mayor, Councillor Bacon and himself in attendance. He was of the view that the Chief Executive Officer had left his role in a reasonably happy state and that he had worked until his last day and was happy to keep in touch.

Councillor Baum confirmed that another interim position was being considered with an interview taking place on 13th July. Also, that a sub group had been set-up to look at permanent hires and to review the overall structure of the council. Councillor Booth proposed a timeline be mapped out to help keep focus/ on track. Councillor Baum agreed that this would give the sub group, committee, town council and staff, confidence.

RESOLVED:

- i) Democratic Services Officer to organise sub group meeting**

The meeting closed at 7.54pm.

AGENDA ITEM: 4

Finance Committee

ACTION TRACKER FROM MEETINGS OF THIS COMMITTEE

Key to colour is status column

BLUE = ACTION COMPLETE

GREEN = ACTION ON TRACK

AMBER = ACTION DELAYED

RED = ACTION SEVERELY DELAYED

Minute No.	Resolution	Responsible Officer	Status	Update
Monday 19 December 2022				
41	Energy Saving Options: To move forward with all three energy saving options, funding this from reserves.	Chief Executive Officer	GREEN	The LED lights shall be installed in August. The solar panel tenders closed on the 6 June 2023.
Monday 20 March 2023				
56ii)	That the Head of Corporate Services submit an up to date mandate to NatWest adjusting the authorised signatories	Head of Operational Services	GREEN	
57i)	Head of Corporate Services to confirm the fuel and credit card limits	Head of Operational Services	GREEN	Credit card and fuel card limits received are being added to the policy for adoption at Council.
60	The Head of Corporate Services to contact Paradigm to ascertain contract responsibilities and detail	Head of Operational Services	GREEN	It has been difficult to get Paradigm to respond to our queries but this is starting to move forward now.
Wednesday 10 May 2023				
66	Members approved the use of £17,500 of the Council's general reserves to fund condition surveys for each building or land owned by the Council, by a suitably qualified Building Surveyor.	Head of Operational Services	BLUE	Consultant appointed. Start dated tbc.
67	Members noted the approval of the award of the contract for LED installation in The Elgiva Theatre auditorium to AC Special Projects, by the Chair of the Finance Committee.	Head of Operational Services	GREEN	The LED lights shall be installed in August.

68	Members approved the quotation and confirmed officers can proceed with the reinstatement of a hot water cylinder to the Elgiva Theatre.	Head of Operational Services		The hot water cylinder has been installed and hot water has been restored to the Elgiva Theatre.
Monday 12th June 2023				
10i	Councillor Baum to liaise with The Community, Economy & Environment Manager for an update on the installation of LED lights & solar panels	Cllr Baum/CEEM		Possible delay to September. Tenders to be approved at next Council meeting.
12i	Interim RFO to review finances, spending against reserves, and report to the extraordinary Corporate Services Committee on 17th July 2023	Interim RFO		
13i	Democratic Services Officer to set-up the Extraordinary Corporate Services Committee on July 17th and circulate invitations to members	DSO		
14i	Democratic Services Officer to organise sub group recruitment meeting	DSO		

Report of the Officers to a meeting of the Corporate Services Committee on 10 July 2023

AGENDA ITEM NO 5: – Report of the Internal Auditor

Reporting Officer:

Louise Steele

Interim Responsible Finance Officer

01494 774 842 ext. 116

louise.steele@chesham.gov.uk

Purpose of Report

1. To consider the final 2022/23 report of the Internal Auditor.

Background Information

2. The Accounts & Audit Regulations 2015 require town and parish councils to ‘undertake an effective internal audit to evaluate the effectiveness of its risk management, control and governance processes, taking into account public sector internal auditing standards or guidance’.
3. IAC Audit & Consultancy Ltd have been employed as the Council’s internal auditor since September 2023. Normally the internal auditor undertakes two audit visits in the course of the financial year. An interim audit for 2022/23 was conducted On 23 January 2023 and the report from that audit was considered by the then Finance Committee on 20 March 2023.
4. The final audit of the financial year was conducted on 27 June 2023, unusually this audit took place after the Annual Governance Statement and Annual Statement of Accounts had been considered and approved by Full Council on 19 June 2023.

Findings

5. Council is asked to consider the attached correspondence and report from the internal auditor and note the recommendations therein – and officers’ comments (shown in green type) against those recommendations.

Implications

6. Should the Council feel that a “no” answer is required for any of the assertions in the Annual Governance Statement then a detailed explanation will need to be submitted to the external auditor.

Recommendation:

7. **The following recommendations are made:**
 - i) **That the Committee note the recommendations from the internal audit dated 27 June 2023 and officers’ observations on those recommendations; and**
 - ii) **That the Committee requests an update report on progress on these and other audit recommendations at the next meeting of the Committee.**



Louise Steele
Interim Responsible Finance Officer (RFO)
Chesham Town Council
Chesham Town Hall
Chesham
Buckinghamshire
HP5 1DS

29th June 2023

Dear Louise,

Report on Internal Audit carried out on 27 June 2023

An audit was carried out by Kevin Rose on Tuesday 27 June 2023. This was the Year End audit following on from the Interim Internal Audit carried out on 23 January 2022.

The audit was undertaken using our standard IAC Audit Checklist, used for all Local Councils, which has 198 items. A total of 65 items were tested during this audit. Including the items tested during the Interim Internal Audit visit a total of 156 items have been checked during the financial year a further 30 items on the standard Checklist were checked and confirmed as being Not Applicable to your Council. A balance of 12 items remained unchecked at the year end, these relate to the testing of income and it is intended that this area will be subject to detailed review at the next interim audit visit.

Areas subject to audit were;

the payment system (Box B), risk and insurance (Box C), budget and precept setting and monitoring (Box D), payroll (Box G), assets and investments (Box H), bank reconciliations (Box I), and accounting Statements (Box J).

Of the 65 items tested during this audit a Positive response was obtained in respect of 55 tests. There were 10 Negative responses identified, details of which are set out in the attached Year End Internal Audit Observations. A detailed breakdown of our audit testing and Responses is set out in the attached Year End Internal Audit Summary.

I can confirm that none of the Observations raised during the year will give rise to a Negative response in the year end Internal Audit Report.

I would like to express my thanks for the assistance provided to me during my audit.

Yours sincerely,

A handwritten signature in black ink, appearing to read "K. Rose". The signature is written in a cursive style with a large, looped initial "K" and a smaller "R" for "Rose".

Kevin Rose ACMA
Director

Annual Internal Audit Report 2022/23

Chesham Town Council

<https://www.chesham.gov.uk/> PUBLICLY AVAILABLE WEBSITE/WEBPAGE ADDRESS

During the financial year ended 31 March 2023, this authority's internal auditor acting independently and on the basis of an assessment of risk, carried out a selective assessment of compliance with the relevant procedures and controls in operation and obtained appropriate evidence from the authority.

The internal audit for 2022/23 has been carried out in accordance with this authority's needs and planned coverage. On the basis of the findings in the areas examined, the internal audit conclusions are summarised in this table. Set out below are the objectives of internal control and alongside are the internal audit conclusions on whether, in all significant respects, the control objectives were being achieved throughout the financial year to a standard adequate to meet the needs of this authority.

Internal control objective	Yes	No*	Not covered**
A. Appropriate accounting records have been properly kept throughout the financial year.	✓		
B. This authority complied with its financial regulations, payments were supported by invoices, all expenditure was approved and VAT was appropriately accounted for.	✓		
C. This authority assessed the significant risks to achieving its objectives and reviewed the adequacy of arrangements to manage these.	✓		
D. The precept or rates requirement resulted from an adequate budgetary process; progress against the budget was regularly monitored; and reserves were appropriate.	✓		
E. Expected income was fully received, based on correct prices, properly recorded and promptly banked; and VAT was appropriately accounted for.	✓		
F. Petty cash payments were properly supported by receipts, all petty cash expenditure was approved and VAT appropriately accounted for.	✓		
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.	✓		
H. Asset and investments registers were complete and accurate and properly maintained.	✓		
I. Periodic bank account reconciliations were properly carried out during the year.	✓		
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.	✓		
K. If the authority certified itself as exempt from a limited assurance review in 2021/22, it met the exemption criteria and correctly declared itself exempt. (If the authority had a limited assurance review of its 2021/22 AGAR tick "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.			✓
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 2022-23 AGAR period, were public rights in relation to the 2021-22 AGAR evidenced by a notice on the website and/or authority approved minutes confirming the dates set).	✓		
N. The authority has complied with the publication requirements for 2021/22 AGAR (see AGAR Page 1 Guidance Notes).	✓		
O. (For local councils only) Trust funds (including charitable) – The council met its responsibilities as a trustee.	Yes	No	Not applicable
			✓

For any other risk areas identified by this authority adequate controls existed (list any other risk areas on separate sheets if needed).

Date(s) internal audit undertaken

10/06/2022 23/01/2023

Name of person who carried out the internal audit

Kevin Rose - IAC Audit & Consultancy Ltd

Signature of person who carried out the internal audit

SIGNATURE

Date

29/06/2023

*If the response is 'no' please state the implications and action being taken to address any weakness in control identified (add separate sheets if needed).

**Note: If the response is 'not covered' please state when the most recent internal audit work was done in this area and when it is next planned; or, if coverage is not required, the annual internal audit report must explain why not (add separate sheets if needed).

The Clerk
Chesham Town Council
Chesham Town Hall
Chesham
Bucks
HP5 1DS

29-Jun-23

Explanation of "Not Covered" responses

Further to our Internal Audit of your Council for the financial year 2022/23 I am pleased to submit the signed Internal Report for your Annual Return. We have completed our work and I can confirm that we have not given a Negative response for any of the Internal Control Objectives.

You will note that we have given 'Not Covered' responses in respect of Control Objective K, L and O and we are required to explain why we have done this.

- *The reason for the "Not Covered" response for Objective K is that it is not applicable to your Council as the Council did not certify itself exempt from limited assurance review for the 2021/22 financial year.*
- *The reason for the Not Covered response for Objective L as your 'annual turnover' exceeds £25,000 and you are therefore not subject to the publication requirements of the Transparency Code.*
- *The reason for the Not Covered response for Objective O as it is our understanding that the Council does not act as Trustee.*

The External Auditor may query why we have responded 'Not Covered' and, if so, you should provide them with a copy of this letter.

Yours sincerely,



Kevin Rose ACMA
Director

Chesham Town Council
Financial Year 2022-23



Audit date: 27 June 2023

Year End Internal Audit Observations

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

No.	Audit Test	Response	Observation	Recommendation	Priority	Comments
1	Has the Council formally Minuted confirmation of bank signatory arrangements?	No	<i>From a review of records it was not possible to verify when the Council reviewed and confirmed the bank signatory arrangements.</i>	Council to formally review and approve the bank signatory arrangements.	Medium	This recommendation carries forward, though in a slightly different form from the recommendation made following the 23 January visit - that recommendation said "The Council to review its Financial Regulations and Bank Mandate and ensure that the Mandate in operation complies with the requirements as set out in Financial Regulations. The Council to amend either the Bank Mandate or Financial Regulations to ensure that they agree." As an outcome revised financial regulations have been agreed and the mandate is to be changed to match.
2	Have invoices been approved as required under Council Financial Regulations? (paragraph 5.3 of the NALC Model Financial Regulations)	No	<i>It was noted that the approval process for invoices for payment appears to have changed since 2021. Previously the schedule submitted to Council for approval was certified by the Town Clerk. This no longer appears to be the practice.</i> <i>A limited review of payments undertaken at the time of the audit visit indicates that there is now no formal process for invoices so be subject to formal approval prior to payment.</i>	The Council should review the process by which invoices for payment are subject to review and approval. In particular the Council should, as a priority, review its compliance with Financial Regulations 5.2 and 5.3.	High	The Head of Corporate Services and the interim RFO discussed this recommendation with the internal auditor. The problem seems to lie in moving from a paper-based system to a paper-free system and how to ensure appropriate review, approval and acknowledgement of performance when there is no paper copy of an invoice to sign. The interim RFO has undertaken to investigate software to facilitate electronic signature of pdf invoices.

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.*

No.	Audit Test	Response	Observation	Recommendation	Priority	Comments
1	The Council has published the details of Members Allowances paid in accordance with Regulation 15 (3) of Members Allowances Regulations 2003.	Yes	<i>The Council has not published the details of Members Allowances paid in accordance with Regulation 15 of Members Allowances Regulations 2003.</i>	The Council to note the publication requirements in respect of Members Allowances and to ensure that details of allowances paid are published in accordance with the Regulations.	High	Going forward these details will be published in accordance with the regulations.
2	Tax and National Insurance have been appropriately accounted for on Members Allowances	No	<i>Tax and National Insurance have not been appropriately accounted for on Members Allowances.</i>	The Council to note that Members Allowances are taxable under PAYE. The Council to ensure that, in future, it correctly processes such payments through its payroll system.	High	It is the case that the allowance is subject to tax & NIC if paid as a lump sum, but not if paid as reimbursement of legitimate expenses. The Interim RFO has made arrangements for the allowance to be paid in reimbursement of expenses and will investigate whether it is possible to obtain a dispensation from HMRC for it to be paid as a tax-free lump sum. The relevant regulations and guidance may be found here: https://www.gov.uk/hmrc-internal-manuals/employment-income-manual/eim65970

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

No.	Audit Test	Response	Observation	Recommendation	Priority	Comments
1	The asset register has been subject to review by Council	No	<i>The asset register has not been subject to review by Council. (It is understood that an exercise to update the asset register has been started but is not yet completed.)</i>	The Council should formally review the asset register each year prior to the approval of the Accounting Statements	Medium	It is anticipated that the current comprehensive review of the asset register will be complete in plenty of time to enable formal review prior to approval of the 2023/24 Accounting Statements.
2	Continuing existence of assets is checked on a regular basis (when was last check?)	No	<i>Continuing existence of assets is not checked on a regular basis.</i>	The Council should put in place a process for the regular review and verification of its assets. Assets of a high value or which may be particularly vulnerable should be subject to verification at more frequent intervals.	Medium	The current comprehensive review will address the regular review of the existence of assets.

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

No.	Audit Test	Response	Observation	Recommendation	Priority	Comments
1	Cash floats & balances are supported with cashier's certificate (Year End)	No	<i>Cash floats & balances are not supported with a cashier's certificate</i>	Cash balances held should be supported with a cash statement stating the denomination and value of cash held. This should be signed and dated by the cash custodian, and an independent person.	Medium	This recommendation was made last year and addressed at that time by the collection of cashiers certificates. It now needs to be addressed by being diarised for 31 March 2024 and the Interim RFO will take steps to fulfil this but does not anticipate being here at that date to ensure compliance.
2	Bank reconciliations have been signed and dated as evidence of independent review (Year End)	No	<i>It was noted that the year end bank reconciliations have not been signed and dated as evidence of independent review. It was also noted that the reconciliation prepared did not include the cash floats and balances and did not therefore agree to the value stated in Box 8 of the Accounting Statements.</i>	The Year end bank reconciliation should be amended to include the cash floats and balances and should then be subject to independent review and approval.	Medium	See below

3	There are no unexplained balancing entries in any reconciliation (Year End)	No	<p><i>It was noted that amounts due in respect of refunds totalling £81,085.18 from energy suppliers (which are a debtor amount) are current recorded as unbanked income in the bank reconciliation. As a consequence the Box 8 value is overstated by this amount.</i></p>	<p>The Council to note that the value recorded in Box of the Accounting Statements is overstated by the amount of £81,085.18. The Council should consider whether it should review and restate the Box 8 value.</p>	High	<p>Recommendations I 2 & I 3 would not necessarily have appeared if the internal audit visit had taken place before the accounting statement (AGAR Section2) was approved by Full Council because the auditor would have identified these issue and the RFO would have amended the figure in Box 8. A corresponding amendment would then be made, not on the AGAR, but in the spreadsheet prepared for the external auditor which shows the reconciliation between boxes 7 & 8. However, this year the IA visit was arranged for after the approval of the AGAR Sections 1 & 2 (which was legitimate because an interim audit had been conducted) and there was no time to restate the Box 8 value and have the AGAR Section 2 approved by Full Council before the deadline for submission and the statutory exercise of public rights. It is likely that the External Auditor will require the Box 8 figure to be restated - if not then it should be restated when the AGAR 2023/34 is prepared.</p>
4	Year End Cash balances have been subject to independent confirmation	No	<p><i>Year End Cash balances have not been subject to independent confirmation</i></p>	<p>The Council should ensure that, in future, year end cash balances are subject to independent confirmation.</p>	Medium	<p>To be implemented at the end of the 2023/24 financial year.</p>

Report of the Officers to a meeting of the Corporate Services Committee on 17 July 2023

AGENDA ITEM NO 6: – Issues arising from completion of 2022/23 AGAR

Reporting Officer:

Louise Steele

Interim Responsible Finance Officer

01494 774 842 ext. 116

louise.steele@chesham.gov.uk

Purpose of Report

1. To bring issues arising from the completion of the 2022/23 Annual Governance & Accountability Return (AGAR) to the attention of the Committee.

Background Information

2. Sections 1 and 2 of AGAR - the Annual Governance Statement and Annual Statement of Accounts were considered and approved by Full Council on 19 June 2023. The internal audit report for inclusion with the AGAR was completed and signed on 29 June 2023 (after an internal audit visit on 27 June 2023).
3. On 30 June 2023 the Interim RFO submitted the AGAR and supporting documentation to the external auditor; on 3 July 2023 the Interim RFO forwarded to the external auditor additional documentation required for the "Intermediate" review of Councils with income or expenditure in excess of £2,000,000.
4. The evidence required for Intermediate review vary from year to year.

Findings

5. The evidence requested for 2022/23 was as follow:
 - the detailed internal audit report(s) regardless of whether there were issues or recommendations raised, together with evidence that demonstrates that any recommendations made have been addressed (see Practitioners' Guide 2022 Paragraph 1.37);
 - evidence that the authority has considered the independence of the internal auditor in the period 1 April 2022 to 31 March 2023 (see Practitioners' Guide 2022 Paragraphs 1.36 and 4.11);
 - evidence that the authority has considered and agreed the internal audit programme of work, having regard to the authority's identified risks (see Practitioners' Guide 2022 Paragraphs 1.36 and 4.16); and
 - evidence that when appointed, the authority satisfied itself with regard to the competence of the internal auditor and agreed a letter of engagement (see Practitioners' Guide 2022 Paragraphs 1.36, 4.1 and 4.13), including the signed letter of engagement.
6. In response to the evidence request the Interim RFO supplied the external auditor with the following:
 - Detailed internal audit reports from the internal audit visits made on 23 January 2023 and 27 June 2023;
 - Minutes of the Finance Committee Meeting held on 20 March 2023 demonstrating that

recommendations made were address addressed (there has so far been no opportunity to address the recommendations of 27 June 2023); and

- The letter of engagement for the 2022-23 year

7. Regrettably the Interim RFO was also obliged to tell the external auditor that she was unable to find evidence that the authority has considered the independence of the internal auditor in the period 1 April 2022 to 31 March 2023 or that it had considered and agreed the internal audit programme of work or satisfied itself with regard to the competence of the internal auditor. Further that there was no evidence that letter of engagement was considered by the council.
8. If members of the committee are aware that the Interim RFO is mistaken and that evidence exists demonstrating that the appointment and work of the internal auditor was considered in detail during the financial year 2022/23 and in accordance with the NALC Joint Panel on Accountability & Governance (JPAG) Practitioners' Guide then it will be appropriate to give the external auditor the updated position/

Implications

9. If it is the case that the Interim RFO is correct then there is a possibility of an adverse comment from the external auditor. Further that the 2023/34 appointment of the internal auditor needs to be undertaken carefully. This is not a suggestion that the internal auditor be changed (at this time of organisational change keeping some elements of the status quo seems advisable) but that the existing auditor be reappointed in accordance with the Practitioners' Guide.

Recommendation:

10. **The following recommendations are made:**
 - i) That the next meeting of this Committee considers a report from the Interim RFO setting out the independence and competence of the internal auditor and considers the internal audit programme of work and the letter of engagement; and**
 - ii) That the Committee considers a recommendation to Full Council concerning the appointment of the internal auditor..**

Report of the Officers to a meeting of the Corporate Services Committee on 17 July 2023

AGENDA ITEM NO 7: – Bank Mandate

Reporting Officer:

Louise Steele

Interim Responsible Finance Officer

01494 774 842 ext. 116

louise.steele@chesham.gov.uk

Purpose of Report

1. To ensure that NatWest Bank have all the data that they need to update the Bank Mandate.

Background Information

2. Financial Regulations were updated at the last meeting of Council on 9 June 2023
3. It was agreed that signatories to the bank account should be the following posts:
 - Town Mayor
 - Deputy Town Mayor
 - Chair of Corporate Services Committee
 - Vice Chair of the Corporate Services Committee
 - Chief Executive Officer
 - Head of Corporate Services

Findings

5. When updating the bank mandate it is good practice to have a minute recording the names of the individual signatories.

Recommendation:

6. The following recommendations is made:
 - i) That the mandate for both the NatWest is updated as soon as possible with the following being the signatories (with two signatures being required for each transaction in accordance with Financial Regulations):

Town Mayor	Wilford Augustus
Deputy Town Mayor	Francis Holly
Chair of Corporate Services Committee	Joseph Baum
Vice Chair of the Corporate Services Committee	Simon Booth
Chief Executive Officer	vacant
Head of Corporate Services	Ashley Myers

AGENDA ITEM NO 8: – Title: The Elgiva Roof

Reporting Officer:

Danny Essex

Head of Operational Services

Contact No: 07377665918

Email: Danny.Essex@chesham.gov.uk

Purpose of Report

1. To provide Councillors with an update on the condition of the Elgiva roof and its structural integrity.

Background Information

2. The Theatre have reported the ingress of water to internal areas after heavy rainfall.
3. Evans and Crawley instructed (Appendix 1) to provide a roof condition report.

Findings

4. It was highlighted that the roof has already been repaired in several places but as it's a single skin material, once perforated, the only option has been a patch repair.
5. The roof is also very soft to walk on and after an inspection area was cut to identify the materials used in its construction, it was apparent that water has been allowed to penetrate through the outer skin and soak into the insulation beneath (similar to loft insulation)
6. It is fair to say that the absorbent material underneath is holding onto rain water similar to that of a sponge in water and in turn has found its way into the building causing staining and electrical issues.
7. A structural survey report on the roof was recommended and will be carried out prior to the install by the successful contractor.
8. The investigation of the roof also highlighted that currently, it's method of construction would be unlikely to facilitate the structures or systems required to mount solar panels.

Implications

9. Financial: Quotations for replacement of the external roofing material are in excess of 100k as there are several roofs all of the same age and on varying levels (Appendix 2) and I am therefore recommending that the project be passed to In-Tend immediately as the installation of solar panels cannot commence until such time the roof has been replaced.
10. Strategic: To ensure that the money entrusted to us by the residents of Chesham is properly managed and spent efficiently and effectively on achieving the strategic aims of the Council.
11. Environmental: None pertaining to this report.

12. Equality Act: None pertaining to this report.

Recommendation:

13. The following recommendations are made:

- i) The appointment of 'In-Tend' to facilitate the tender process.

AGENDA ITEM NO 9: Lowndes Room update

Reporting Officer:

Name Danny Essex

Title Head of Operational Services

Contact No: 07377665918

Email: danny.essex@chesham.gov.uk

Purpose of Report

1. To provide members of the committee with an update as to securing Chesham Museum as a long-term hirer of the Lowndes Room.

Background Information

2. The Lowndes Room was previously marketed by a commercial lettings company but after several months, the letting company had been unsuccessful in finding a long-term client and I was subsequently instructed by the then CEO to instruct them to remove it from the market.

Findings

3. The Chesham Museum approached the Town Council with a view to renting part of the Community Hall however after exploratory discussions, the long-term effect on the existing hirers swayed conversation back towards the Lowndes Room as a potential location.
4. I arranged a meeting with the Museums representative 27th June 2023 for exploratory discussions regarding the potential of the Lowndes Room for their needs and I am pleased to say that the Museum have requested we bring to committee this proposal.
5. The museum have also kindly requested the Council draft a letter of intent to be given to the Arts Council in order for the museums status to continue unhindered whilst the room can be prepared.

Implications

5. Financial: The construction of a partition wall to provide a 28 sq.m area within the Lowndes Room suitable for display cases and wall displays. These costs will be fully funded by the Museum and carried out by an approved contractor. No costs will be incurred by the Council.
6. Strategic: To enable residents to enjoy high-quality social, recreational and cultural facilities within the Town and to seek the continuing improvement and development of these facilities in accordance with the desires expressed by the residents.
7. Environmental: All materials used will be sourced locally and waste responsibly disposed of.
8. Equality Act: none pertaining to this report.

Recommendation:

9. **The following recommendations are made:**

- i) That members approve the decision to proceed with Chesham Museum renting the Lowndes Room on a long-term basis.**
- ii) That members approve the decision to offer Heads of Terms to the museum.**
- iii) That members draft a letter of intent to the Arts Council stating its support for the museum.**
- iv) To present recommendations at the next Council meeting for approval**



Chesham TOWN COUNCIL

Chesham Town Hall
Baines Walk, Chesham, Bucks, HP5 1DS

Chief Executive
Tony Marmo

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Thursday 18 May 2023

Karen Perkins
Vice Chair of Trustees
On behalf of The Trustees of Chesham Museum

Dear Karen,

Re: (v2) CTC – Chesham Museum Service, Heads of Terms

I write with a draft of the heads of terms that are not a binding document at this stage. The heads of terms document will need to be discussed, amended and / or approved at the Council meeting on the 19 June 2023. Once this has been done if approved a final heads of terms document shall be sent to you.

Freeholder:	Chesham Town Council (CTC)
Lease Holder:	Chesham Museum Service (CMS)
Location:	Community Hall, Chesham Town Hall
Area:	As per the map provided as Appendix 1 The Council will also look to provide a storage location of 3sqm
Activity:	The space indicated would provide a 'street frontage' and town centre affordable location for the Chesham Museum Service.
Rent:	£5,000 per annum (the rent is inclusive of business rates and utilities)
Length of Lease:	6 years
Break Clause:	Chesham Town Council at the end of the 2 nd and 4 th year of the lease based on a six month notice period. Chesham Museum Service at any time based on a six month notice period.
Rent Review:	The rent shall be fixed for the first 2 years. From the 3 rd year the rent shall be subject to a rent increase by RPI on the anniversary of lease each year
Capital Works:	The cost of any capital works to create the area shown on the map provided as Appendix 1 shall be met by the Chesham Museum Service

Expectations of the Chesham Museum Service by Chesham Town Council:

- To be staffed by volunteers - in doing so offer new volunteering opportunities and be fully independent of the Town Hall team.
- Deliver a programme of events and activities - supporting town centre redevelopment in partnership with other key community groups.

- Cost be met by Chesham Museum Services for its own stand-alone alarm system (if appropriate) and insurance costs.

What Chesham Town Council will provide:

- A letter of intent outlining the offer of a space in Chesham Town Hall that will satisfy Arts Council England.
- A commitment the Chesham Museum Service will be considered in any future plans and changes affecting the current Chesham Town Hall.

Yours sincerely,



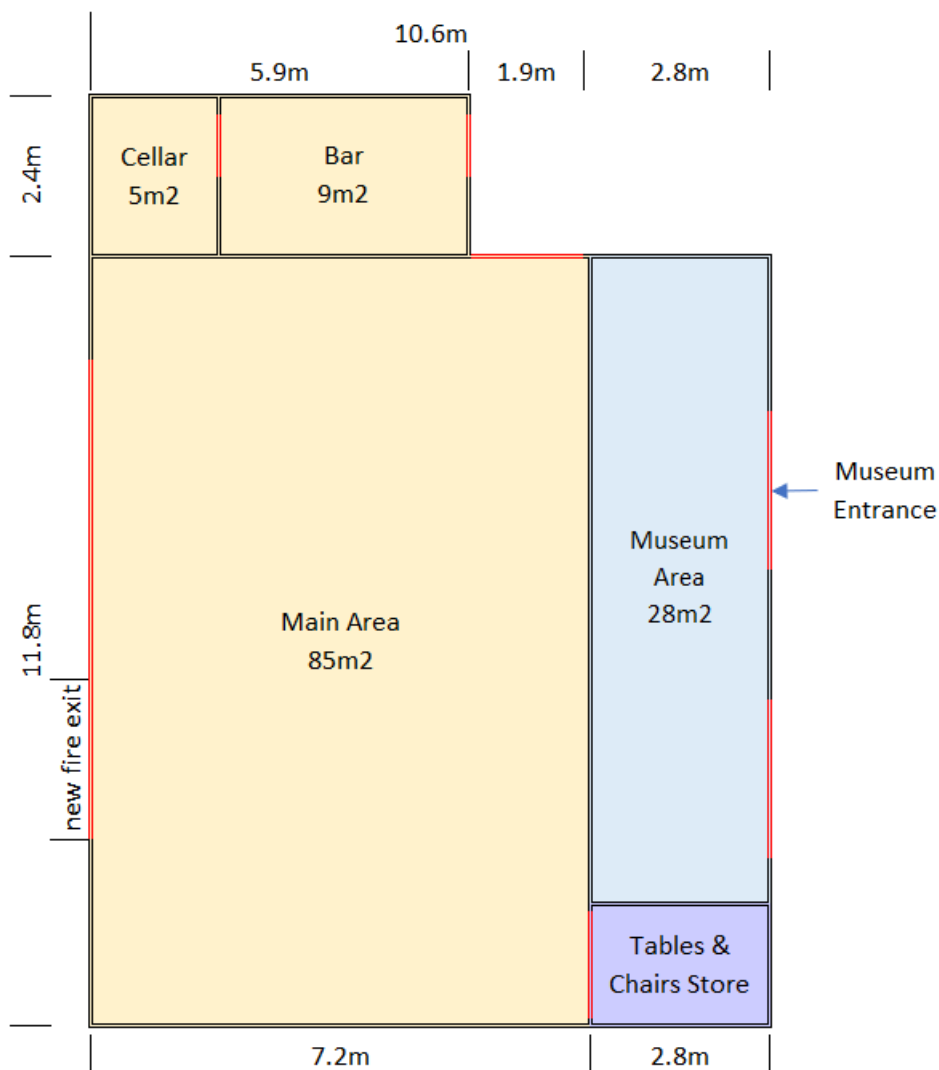
Tony Marmo
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Chesham Town Council

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Appendix 1



AGENDA ITEM NO 10: – Review of Annual Donations Scheme

Reporting Officer:

Kathryn Graves
Community, Economy and Environment Manager
01494 774 842 ext. 113
kathryn.graves@chesham.gov.uk

Purpose of Report:

1. To consider revisions to the Annual Donations Scheme.

Background Information

2. The Annual Donations Scheme was last reviewed in 2018. At the Finance Committee meeting held on the 30 July 2018, the following was agreed (Min no. 7):
 - To subsume a £1,000 budget for community events into the Annual Donations budget
 - To split the total budget (at that time £10,000) equally between applications from any organisations and applications from Town Partners
 - That Town Partners could apply for donations at any time during the year
 - That donations should be capped at £500, apart from in exceptional circumstances
 - To trial the Mayor and Deputy Mayor assessing applications

Findings

3. The split of successful applicant organisations and funding between Town Partners and other organisations since 2019 has been very variable:

Year	% of successful applicants that are Town Partners	% of funds given to Town Partners
2019	36%	44%
2020	18%	20%
2021	31%	37%
2022	45%	52%

There are currently 23 Town Partners, of which 11 have not applied for a donation between 2019 and 2022. As the size of the Annual Donations Scheme budget has significantly decreased over the past 5 years (standing at £6,000 for 2023-24), your officers propose that the Council should not be allocating 50% of the funding to Town Partners, enabling the scheme to be more responsive to the different types of organisations applying in any one year.

4. There has been limited uptake from Town Partners in applying for grants outside of the normal annual deadline of 30 September each year. Such applications are administratively more difficult for the small Community, Economy and Environment Team to process. Furthermore, these applications are not decided upon by Council, as they fall outside of the schedule of meetings. These applications are decided by the Mayor and Deputy Mayor, which potentially makes them vulnerable to accusations of bias or unfair treatment if unpopular decisions are taken. An

advantage of processing all the donations at once is that should the scheme be oversubscribed, it will be possible to give all qualifying organisations some level of funding, whereas funding could run out before the end of the year when applications are made throughout the year. Your officers propose that from 2024-25, all applications revert back to annual deadlines for submissions and decisions by the Council.

5. Similarly, officers propose that the Council should revert to the original procedure of sending officer recommendations to full Council for consideration, rather than requiring the Mayor and Deputy Mayor to make recommendations that place these individuals open to criticism.
6. Your officers recommend that the timing of the process is shifted as of 2024-25. With annual strategic objectives being set early each calendar year, it is proposed that the application form is updated with the annual strategic objectives for the next year and the applications process opened in February. The deadline for applications would be in April, with decisions made by Council in June. This fits better with the Council's administrative year and means that the bulk of the work for the CEE team no longer occurs during the run up to Christmas, which is a very busy time for them. Making this change in 2024-25 allows officers to provide plenty of notice to organisations that regularly apply for funding.
7. In line with the Council's ambition to become carbon neutral by 2030, we will make the process paperless wherever possible.
8. There has been limited feedback from recipients in previous years to provide information on how their donations were used. As the size of donations are modest, officers do not propose an onerous reporting system, but will make providing basic feedback on how the grant was used and the success of any projects a requirement for the consideration of future applications from the same organisation.

Implications

9. Financial: The 2023-24 budget for the Annual Donations Scheme is £6,000.
10. Strategic: the report accords with the following strategic aim;
 - SA6 - To ensure that the money entrusted to us by the residents of Chesham is properly managed and spent efficiently and effectively on achieving the strategic aims of the Council.
11. Environmental: The revised process will be made paperless wherever possible.
12. Equality Act: Non-applicable.

Recommendation

13. **The following recommendations are made:**
 - i) **As of 2023-24, the Annual Donations budget is no longer split between Town Partners and other organisations, such that the whole budget is available to any organisations meeting the Town Council's strategic objectives.**
 - ii) **As of 2024-25, all donations must be submitted by the end of April each year.**
 - iii) **From October 2023, officers are to make recommendations for all applications to the Donations Scheme, for consideration by a meeting of the Council.**

iv) The criteria of the scheme are revised to require provision of feedback on donations received.