



Chesham TOWN COUNCIL

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

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Thursday 21st March 2024

Dear Councillor,

You are hereby summoned to a **Meeting of the CORPORATE SERVICES COMMITTEE** to be held in the Council Chamber, Town Hall, Chesham, on **TUESDAY 2nd April, 2024 at 7.30pm:**

Agenda

1. Apologies for absence

To receive apologies for absence

2. Declarations of interests

To note any declarations of Interest

3. Minutes of the previous Corporate Services meeting 15th January 2024

To approve the minutes of the previous meeting and authorise the Chair to sign the same

4. Action Tracker

To note the Committee's Action Tracker

5. Internal Audit reports

6. Review of Internal Controls

To document a review of the effectiveness of internal controls, identify any weaknesses and an action plan for dealing with them.

7. To receive Management Accounts for December 2023

8. Finance Systems

To receive an update on the current and proposed finance systems at Chesham Town Council

9. Standing Orders & Financial Regulations

To review the current standing orders and Financial Regulations of Chesham Town Council.

10. Treasury Management Plan Policy Update

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

11. Reserves Policy update

12. Freidrichsdorf Corner

To explore a resident request to purchase a piece of council owned land.

13. Living Wall

To note the position regarding the living wall at the Town Hall.

14. Christmas in Chesham

To recommend an external agency to formally assist with the organisation and management of the Christmas in Chesham event.

15. Gym & Swim Equipment

To update members with an overview of the existing fitness kit and the need to consider a 5 year leasing agreement of a new range.

16. Elgiva Heating

To review options for the heating and cooling system at the Elgiva

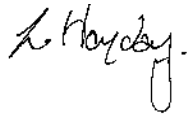
17. Temperance Hall

To receive an update on the current situation with regards to Temperance Hall and present a recommendation for the future of the site.

18. Donations Scheme

To consider a revision to the Donations Scheme.

Yours sincerely,



Louise Hayday

CEO/ Town Clerk

Cllr Alan Bacon	Cllr Justine Fulford
Cllr Joseph Baum (Chair)	Cllr Francis Holly
Cllr Simon Booth	Cllr Chasey Hood
Cllr Majid Ditta	Cllr Rachael Matthews
Cllr Mohammad Fayyaz	

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

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

held on 15th January 2024

Councillors:

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

Councillor Justine Fulford
Councillor Francis Holly

In attendance:

Louise Hayday
Louise Steele
Georgina Fernandez
Danny Essex
Ashley Myers

CEO/ Town Clerk
Interim RFO
Democratic Services Officer
Head of Operational Services
Head of Corporate Services

49. APOLOGIES FOR ABSENCE

Apologies were received from Councillors Fayyaz, Hood and Matthews.

50. DECLARATIONS OF INTEREST

There were no declarations of interest.

51. MINUTES OF PREVIOUS MEETINGS

The minutes of the Corporate Services Committee on 13th November 2023 were noted.

Councillor Bacon asked for these minutes to be amended as follows:

'An amendment to 39iii was proposed by Councillor Bacon, seconded by Councillor Fulford, that former members of staff should receive the back-dated element of pay. The amendment was voted upon and not carried.

52. ACTION TRACKER

This was noted by members.

Councillor Baum asked to be copied in on correspondence with regards to The Living Wall.

Hardstanding at The Moor. The Head of Operational Services confirmed that the work had been completed. Councillor Bacon asked about the quality of the material used as he thought it much finer than previously used and would not last long. The Head of Operational Services confirmed that nothing was forthcoming from Hs2 and that this was the best quality material sourced for the price.

Councillor Baum asked The Head of Corporate Services about progress with Paradigm as this had been an item on the tracker for several months. The Head of Corporate Services confirmed that a contact in finance had now been sourced who was believed to be the right person to progress discussions.

53. BANK MANDATE

In accordance with Financial Regulations to agree the addition of two new named individuals to the bank mandate for all the council's accounts held with Lloyds Bank plc.

RESOLVED:

- i. Councillor Joseph Baum Chairman of the Corporate Services Committee and Louise Hayday CEO/Town Clerk to be added as named individuals to the bank mandate for all the council's accounts held with Lloyds Bank plc.**
- ii. Councillor Simon Booth to be removed from the bank mandate once the above names have been added.**

54. BUDGET 2024/25

To present detailed 2024-25 budget information and options for the Committee to consider with a view to the Committee making recommendations to Full Council about the budget and consequent precept.

Councillor Booth thanked the CEO and Interim RFO for pulling together the budget proposals confirming that he had spent time with his group discussing and that the budget was in a positive

RESOLVED:

- i. That the 2024/25 budget as presented and a precept of £1,214,631 be recommended to Full Council**
- ii. That considerations for the funding of individual projects could not be considered until the external conditions report on all Council owned property and assets had been reviewed**
- iii. That appropriate recommendations to Full Council on the proposed works to be carried out on property and assets were not possible until the Property & Assets Working Group and Operational Services Committee had convened to review and discuss the conditions survey reports.**

55. THE ELGIVA THEATRE PANTOMIME TENDER 2024-2029

Following a tender process, to seek approval from members to appoint New Pantomime Productions as the Elgiva Theatre's pantomime producer for the period of 2024 to 2029.

RESOLVED:

That New Pantomime Productions are engaged as the Elgiva Theatre's pantomime producer for the period of 5 years from December 2024 to December 2028/ January 2029.

AGENDA ITEM: 4

Corporate Services 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 12th June 2023				
10i	Elgiva installation of solar panels	Head of Operational Services /CEEM	GREEN	Solar panels on hold.
Monday 17th July 2023				
21ii	Bank mandates to be included as a recurring item at first Corporate Services Committee of each new calendar year	DSO	GREEN	
24v	To communicate Town Partner feedback via external comms	DSO	GREEN	On going
24vi	Report of Town Partners donations and how they have been utilised to be included on agenda of Annual Town Meeting	DSO/CEEM	GREEN	
Monday 11th September, 2023				
31i	The agenda for the Annual Meeting of Council to include the appointment of the Internal Auditor as a standing item	DSO	GREEN	
33i	Cemetery: To update the Committee on consecrated space at the cemetery at a later date	Cemeteries, Allotments & Open Spaces Manager	GREEN	
34	Living Wall: Officers to write to Buckinghamshire Council sharing this council's concern that Buckinghamshire Council should be seeking to remove a feature intended to address air pollution.	CEEM	BLUE	Report presented 2.4.24

Monday 13th November, 2023				
42 iii	Moor Hard Standing consider longer-term solution	Head of Operational Services		Longer term solution being considered along with Gym and Swim redevelopment plan.
44	Woodland View Play Area - Look at alternative natural and environmental barriers e.g. hedging and to pursue match funding opportunities. Confirm with ROSPA on recommended fencing for playgrounds. Review quotes ready for presentation at budget setting. Councillors to visit the site prior to budget decisions.	Head of Operational Services Councillors		ROSPA – confirm no requirement for hard boundary treatment.
48	Review following policies: Collective Grievance Policy Grievance Policy & procedure Whistleblowing policy & procedure	Head of Corporate Services in conjunction with staff Worknest & NALC		
Monday 15th January 2024				
53 ii	Councillor Simon Booth to be removed from the bank mandate once the new member names have been added.	Head of Corporate Services		



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

13th February 2024

Dear Louise,

Interim Audit Cover Letter

An audit was carried out by Kevin Rose on Monday 29 January 2024. This was the interim internal audit, part of the annual internal audit coverage of the Council. Prior to the audit a 'Pre-Audit' was carried out remotely which tested items which are required to be published on the Council's website.

The audit was undertaken using the standard IAC Audit Checklist, that we use for all Local Councils, which has 204 items. A total of 102 items were tested during this audit, including items that were examined and tested as part of the pre-audit process. The balance of 102 items will be checked during the Year End audit.

The following 'Internal Control Objectives' of the Annual Internal Audit Report (part of the AGAR) were checked and confirmed as being Not Applicable to your Council for this financial year.

- Exemption from External Audit (Box K)
- the Transparency Code (for Smaller Authorities) (Box L)
- Trust Funds (Box O)

Areas subject to audit were;

- the Accounting system and records (Box A)
- the Payment system (Box B)
- Risk and insurance (Box C)
- Budget and precept setting and monitoring (Box D)
- Income billing, collection and VAT (Box E)
- Bank reconciliations (Box I)
- Accounting Statements (Box J)
- the Exercise of Public Rights (Box M)
- the Publication of the Annual Governance and Accountability Return (Box N)

Of the 82 applicable items tested a Positive response was obtained in respect of 73 tests. There were 9 Negative responses identified and 14 Observations were made, details of which are set out in the attached Interim Internal Audit Observations.

Summary of tests undertaken during this audit

Positive response	73
Negative response	9
Not Applicable to your Council	20
Total tests carried out	102

I am pleased to advise that no 'Non-Compliances' were identified at this stage that would give rise to a negative response on the statutory Annual Internal Audit Report.

One matter that I would particularly like to draw to the Council's attention is the problems associated with the new accounting system, in particular the reliance on manual entry and the very limited staff resource available for this task. The Council will need to consider in detail how to resolve this.

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

Yours sincerely,



Kevin Rose ACMA
Director

Interim Internal Audit Observations

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

No.	Audit Test	Response	Observation	Recommendation	Priority	Comments
1	Is the method of record keeping appropriate for a council of this size? (is the use of computerised systems appropriate / necessary)	No	<p><i>The Council uses the Opera accounting system. This is a system which is not widely used by Town and Parish Councils (it is unknown whether their are other local Councils using this software).</i></p> <p><i>As at the date of the interim audit the data on the system was several months behind [October has just be completed] and it is not currently possible to obtain accurate up to date information from the system. There seems little prospect that this will remedied going forward.</i></p>	<p>The Council should, as a priority, review the adequacy of the accounting system in use and evaluate whether it is suitable for the Council's requirements. In particular the Council should consider whether the Opera system is capable of delivering timely management information to Council Officers and Councillors to permit effective financial control and informed decision making.</p>	High	
2	Are accounting entries correct with few correcting entries?	Yes	<p><i>It was noted, on review of the accounting data and discussions with Council staff, that there is currently no integration in place between the Opera Accounting System and the Councils banking system, nor between the Opera system and the IT system at the Gym and Swim. A Sales Day Book feed is received from the Elgiva system in the form of a journal which must be reviewed and posted manually. The software company has confirmed to the Internal Auditor that the Opera system does not support an integrated 'bank feed' which is now commonly available in most modern accounting systems.</i></p> <p><i>As a consequence of this lack of integration almost all of the accounting entries in the Opera system have been be generated by manual input. As at the date of the interim audit over 20,000 lines of accounting entries had been manually entered for the current financial year by the one member of staff maintaining the accounts.</i></p>	<p>The Council to note the large volume of data which is being manually entered into the accounting system and the associated staff cost.</p> <p>The Council to note the technical limitations of the Opera system and its inability to integrate with the Council's banking systems.</p> <p>The Council to note the risks on relying on one member of staff to maintain and update the Council accounting records.</p>	High	

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	How has RFO been appointed (Contract/Financial Regulations/ Council Resolution)?	Yes	<i>The Councils Financial Regulation 1.8 states that "The Head of Corporate Services has been appointed as RFO for this Council .."</i> <i>It was noted that the Accounting Statements for 2022-23 (part part of the AGAR) had been signed by the Locum Clerk as RFO. It is not clear whether, in fact, the Head of Corporate Services acts as RFO for the Council.</i>	The Council must, as a priority, review and confirm the arrangements in respect of the position of RFO. The Council must ensure that the allocation of this responsibility is clearly defined and that the person designated as RFO carries out the responsibility of RFO as set out in the Councils Financial Regulations and in Proper Practices.	High	
2	Do cheque payments require a minimum of two signatures as set out in The Practitioners Guide 2023 paragraph 1.15.2?	Yes	<i>It is understood that the Council has not reviewed and updated the cheque signatories at the bank. (Cheques are rarely used.)</i>	The Council to review and update its cheque signatory arrangements.	High	
3	Have payments been approved as required under Council Financial Regulations?	No	<i>It was noted that Minutes from September 2023 onwards do not record formal Council approval of payments. This is not in compliance with Council Financial Regulation 5.2.</i>	The Council to note the failure to comply with its Financial Regulations since September 2023. The Council to review and, if appropriate, approve payments made since those approved in September. The Council to ensure that, in future, it complies with the the requirements of its Financial Regulations.	High	
4	Does the Council receive a large number of Invoices? If so does the Council maintain a Purchase/Creditors ledger?	Yes	<i>The Opera system has a purchase ledger system. At present all supplier invoices are manually input into the system . It is understood that the Opera system does not currently have a facility to electronically upload supplier invoices which is now a common feature of many modern accounting systems, although this may soon be available at an additional cost.</i>	The Council to note that Opera does not have the facility to electronically read invoices into the accounting system, which is now commonly available in other modern accounting platforms. The Council to note the significant staff time taken to manually input these invoices.	Medium	
5	Has the Council complied with the requirements of the Public Contract Regulations?	Yes	<i>It was noted the Council has used the Contracts Finder portal to post tender Opportunities as is required under the Public Contract Regulations but has not published the details of recently awarded contracts.</i>	The Council to update the Contracts Finder website to record the details of successful bidders and the value of awarded contracts.	Medium	

D

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

No.	Audit Test	Response	Observation	Recommendation	Priority	Comments
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1	Regular budget reports have been presented to council and there is evidence that corrective actions have been taken as a result of review	No	<i>From a review of Minutes it was not clear that the Council has received and considered regular reports of performance against budget. The backlog in the accounting data makes such regular reporting extremely difficult to facilitate.</i>	The Council to note that the production and review of timely budgetary control reports is a key control that should be in place. The Council to consider how it may ensure that timely and accurate management information is to be provided to Officers and Councillors to facilitate effective decision making.	High	
2	Any significant variations from budget have been subject to review by Council?	No	<i>This is not possible given the absence of up to date information.</i>	Council to note.	High	

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

No.	Audit Test	Response	Observation	Recommendation	Priority	Comments
1	Is income due on investments subject to regular check and verification? (Is investment performance regularly reported to Council?)	No	<i>The Council is earning a low rate of interest on the funds held at bank (1-3%-14.%). There is no evidence of Council review of the return on investments in Minutes.</i>	The Council to note the low level of interest it is earning on its deposits (other Councils are regularly receiving in excess of 4% on their deposits). The Council to put in place a process for the regular review of its deposits and the interest earned.	High	
2	VAT has been promptly reclaimed	No	<i>The March 2023 VAT balance was received on 5th June 2023. Other claims for the financial year have been submitted late due to staff workload and the Council now has a number of HMRC penalty points for late submittal , a total of 4 points will result in fine being imposed on the Council.</i>	The Council to note that VAT returns have been submitted late due to staff workload and the backlog in the accounting system. The Council to note the Penalty Points imposed by HMRC and the potential for financial penalties to be imposed by HMRC for persistent late submittals.	High	

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

No.	Audit Test	Response	Observation	Recommendation	Priority	Comments
1	Bank reconciliations have been carried out regularly and in a timely manner (Interim)	No	<i>Council bank accounts are reconciled regularly, however there is a significant delay in the preparation of these due to the data input problems identified above. As at the date of the Interim Audit the bank accounts had been reconciled up to 31st October 2023.</i>	The Council to ensure that bank reconciliations are carried out regularly and in a timely manner. This is a key control to ensure the accuracy of the Councils financial reports and to identify potential errors or anomalies.	High	

2	Bank reconciliation have been subject to independent review (not by a bank signatory). (Interim)	No	<i>Bank reconciliation have not been subject to independent review (not by a bank signatory).</i>	Bank reconciliations should be subject to independent review.	High	
3	Bank reconciliations have been signed and dated as evidence of independent review (Interim)	No	<i>Bank reconciliations have not been signed and dated as evidence of independent review.</i>	Bank reconciliations which have been subject to review should be signed and dated as evidence of this review.	Medium	

Interim audit summary Chesham Town Council

(shaded Internal Control Objectives are not applicable to your Council)



Interim Audit Date 29 January 2024

Internal Control Objective		N/A	Tested	Positive	Negative	Observations	Non Compliance
Box A	Appropriate accounting records have been properly kept throughout the financial year.		6	5	1	2	
Box B	This authority complied with its financial regulations, payments were supported by invoices, all expenditure was approved and VAT was appropriately accounted for.	1	25	24	1	5	
Box C	This authority assessed the significant risks to achieving its objectives and reviewed the adequacy of arrangements to manage these.	1	6	6	0	0	
Box D	The precept or rates requirement resulted from an adequate budgetary process; progress against the budget was regularly monitored; and reserves were appropriate.	1	14	12	2	2	
Box E	Expected income was fully received, based on correct prices, properly recorded and promptly banked; and VAT was appropriately accounted for.		11	9	2	2	
Box F	Petty cash payments were properly supported by receipts, all petty cash expenditure was approved and VAT appropriately accounted for.		0	0	0	0	
Box 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.		0	0	0	0	
Box H	Asset and investments registers were complete and accurate and properly maintained.		0	0	0	0	
Box I	Periodic bank account reconciliations were properly carried out during the year.		6	3	3	3	
Box 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.		2	2	0	0	
Box K	If the authority certified itself as exempt from a limited assurance review in 2022/23, it met the exemption criteria and correctly declared itself exempt. (If the authority had a limited assurance review of its 2022/23 AGAR tick "not covered")	3	N/A	N/A	N/A	N/A	
Box 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.	7	N/A	N/A	N/A	N/A	
Box M	The authority, during the previous year (2022/23) correctly provided for the period for the exercise of public rights as required by the Accounts and Audit Regulations (evidenced by the notice published on the website and/or authority approved minutes confirming the dates set).		5	5	0	0	
Box N	The authority has complied with the publication requirements for 2022/23 AGAR (see AGAR Page 1 Guidance Notes).		7	7	0	0	
Box O	(For local councils only) Trust funds (including charitable) – The council met its responsibilities as a trustee	7	N/A	N/A	N/A	N/A	
Totals		20	82	73	9	14	0

Report of the Officers to a meeting of Corporate Services on 2nd April 2024

AGENDA ITEM NO 6: Review of the Effectiveness of Internal Control

Reporting Officer:

Louise Hayday

CEO/Town Clerk

01494 774 842 ext. 120

louise.hayday@chesham.gov.uk

Purpose of Report

1. To document a review of the effectiveness of internal controls, identify any weaknesses and an action plan for dealing with them.

Background Information

2. The Accounts & Audit Regulations 2015 regulation 6 requires smaller authorities, which includes town councils, to conduct a review of the effectiveness of the system of internal control.
3. The Council is required to be in a position to make a positive response to the statement “We maintained an adequate system of internal control, including measures designed to prevent and detect fraud and corruption and reviewed its effectiveness” Assertion 2 in the Annual Governance Statement in the Annual Governance and Accountability Return (AGAR) which forms part of the external audit.
4. Further guidance on Assertion 2 is to be found in the Joint Panel on Accountability and Governance (JPAG) Practitioners’ Guide published by NALC (and available on-line here <https://www.nalc.gov.uk/library/our-work/jpag/3859-practitioners-guide-2023/file>). Paragraphs 1.14 -1.21 and 5.39 - 5.67 of the Practitioners’ Guide refer.
5. The guidance contained in paragraphs 1.14-1.21 of the Practitioners’ Guide is reproduced below in the findings section of this report. The guidance has been used as a framework for the review and the outcome of the review and comments are shown below in bold italic type.

Findings

6. Standing Orders and Financial Regulations
“The authority needs to have in place standing orders and financial regulations governing how it operates. Financial regulations need to incorporate provisions for securing competition and regulating the manner in which tenders are invited. These need to be regularly reviewed, fit for purpose, and adhered to”.

Standing Orders were subject to a substantive review early in 2023 and were adopted by Full Council on 17 April 2023 (Minute 108-22 refers) and Financial Regulations were reviewed by the Corporate Services Committee and adopted by Full Council on 19 June 2023 (Minute 20-23 refers). Both documents are fit for purpose though it is noted that Standing Orders vary significantly from the NALC national model. Standing Orders are adhered to; there are some incidences of failure to follow Financial Regulations and these are detailed in reports by the Internal Auditor and action is in hand to address those issues.

7. Safe and Efficient Arrangements to Safeguard Public Money

“Practical and resilient arrangements need to exist covering how the authority orders goods and services, incurs liabilities, manages debtors, makes payments and handles receipts. Authorities need to have in place safe and efficient arrangements to safeguard public money. Where doubt exists over what constitutes money, the presumption is that it falls within the scope of this guidance.”

“Authorities need to have in place safe and efficient arrangements to safeguard public money.”

Arrangements are covered by Financial Regulations and monitored by the CEO/Clerk, Internal Auditor and the Corporate Services Committee.

“Authorities need to review regularly the effectiveness of their arrangements to protect money. Every authority needs to arrange for the proper administration of its financial affairs and ensure that one of its officers (the RFO) has formal responsibility for those affairs.”

The Council has Financial Regulations in place and has undertaken annual reviews (like this one) of effectiveness of internal control. It also receives Internal and External Audit reports and monitors actions taken in response to recommendations contained therein. However, Financial Regulations currently specify that the role of RFO rests with the post of Head of Corporate Services but the role has been covered by an agency member of staff from June 2023 to January 2024 inclusive. Clarifying who will fulfil the role of RFO in the future is essential.

“Authorities need to ensure controls over money are embedded in Standing Orders and Financial Regulations.”

Such controls are embedded (and long-standing) and are understood by senior staff; they are reviewed by the Internal Auditor and scrutinised by the Corporate Services Committee.

“Authorities need to approve the setting up of, and any changes to, accounts with banks or other financial institutions. Authorities also need to approve any decisions to enter into ‘pooling’ or ‘sweep’ arrangements whereby the bank periodically aggregates the authority’s various balances via automatic transfers.”

Banking arrangements are kept under review by the Corporate Services Committee and reported to Full Council for approval. Financial Regulation 6.3 sets out, in detail, by postholder who should be on the bank mandate.

There is a “sweep” arrangement on the current account whereby a balance of £100 is maintained overnight. This arrangement has been in place for more than 23 years and it is assumed to have been agreed by Council.

“If held, corporate credit card accounts need to have defined limits and be cleared monthly by direct debit from the main bank account.”

The Head of Corporate Services holds a corporate credit card with a limit of £7,500; it is cleared in full monthly by direct debit.

The authority needs to approve every bank mandate, the list of authorised signatures for each account, the limits of authority for each account signature and any amendments to mandates.

As already identified banking arrangements are reviewed by the Corporate Services Committee and approved by Council – the detail of the bank mandate is

agreed by Full Council and recorded in the Financial Regulations. Any change of named individuals holding one of the specified posts is reported to and agreed by the Corporate Services Committee.

“Risk assessment and internal controls need to focus on the safety of the authority’s assets, particularly money. Those with direct responsibility for money need to undertake appropriate training from time to time.”

The most recent risk register does not address the safety of the authority’s assets in the detail that previous versions did. A separate and detailed financial risk assessment would be beneficial. Additional training for staff with direct responsibility for money would also be beneficial.

8. Employment

“The remuneration payable to all employees needs to be approved in advance by the authority. In addition to having robust payroll arrangements which cover the accuracy and legitimacy of payments of salaries and wages, and associated liabilities, the authority needs to ensure that it has complied with its duties under employment legislation and has met its pension obligations.”

Staff are employed on national terms and conditions which are subject to national review; specific remuneration of staff is subject to review by the Corporate Services Committee. Staff are auto-enrolled into the Local Government Pension System - and the Council is up to date with its obligations in this regard. The Pensions Regulator will require re-enrolment in 2024. The officer responsible for HR administration is the Head of Corporate Services and in this role is supported by an external payroll provider and HR advisors.

9. VAT

“The authority needs to have robust arrangements in place for handling its responsibilities with regard to VAT”.

VAT claims are submitted quarterly directly from the finance system as part of “Making Tax Digital (MTD)”. However, claims are routinely submitted late because of delays in reconciling the accounts.

10. Fixed Assets and Equipment

“The authority’s assets need to be secured, properly maintained and efficiently managed. Appropriate procedures need to be followed for any asset disposal and for the use of any resulting capital receipt.”

Procedures for asset disposal are covered by Financial Regulations; the asset register is reviewed annually for accounting purposes and is currently being fully reviewed. There have been no recent capital receipts.

11. Loans and Long Term Liabilities.

“Authorities need to ensure that any loan or similar commitment is only entered into after the authority is satisfied that it can be afforded and that relevant approvals have been obtained. Proper arrangements need to be in place to ensure that funds are available to make repayments of capital and any associated interest and other liabilities”

There is currently one outstanding loan (£120,000 advanced in December 2004 for 25 years, at 4.7% fixed rate). While the possibility of funding new capital projects by borrowing has been discussed informally no project has progressed to the extent that a full business case for a long has been considered – evidence would suggest that the council would consider the matter fully before entering into a loan or other long-term liability.

12. Review of effectiveness.

“Regulation 6 of the Accounts and Audit Regulations 2015 requires the authority to conduct each financial year a review of the effectiveness of the system of internal control. The review needs to inform the authority’s preparation of its annual governance statement.”

The purpose of this report is to conduct the review required for 2023/24, identify any weaknesses and an action plan for dealing with them before the end of the financial year.

Implications

- 13. Financial: To demonstrate compliance with the Accounts and Audit regulations 2015 and provide evidence to support a positive response to Assertion 2 in the Annual Governance Statement .
“We maintained an adequate system of internal control, including measures designed to prevent and detect fraud and corruption and reviewed its effectiveness”
- 14. Strategic: S6 – 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.
- 15. Environmental: None pertaining to this report
- 16. Equality Act: none pertaining to this report.

Action Plan

Weakness Identified	Action required	By whom?	By when?
Variance between Standing Orders & NALC Model Standing Orders	Check SO’s against NALC Mode SOs	CEO/Clerk,	
Issues of non-compliance with Financial Regulations	Ensure all internal audit recommendations are implemented	CEO/Clerk Corporate Services Committee Full Council	
Uncertainty as to who will fulfil the role of RFO	Clarify and record in a Minute	Full Council	ASAP
No recent updating of financial risk assessment	Prepare new financial risk assessment		
Late submission of VAT returns	Improve timeliness of data entry and reconciliation of accounting system		

INCOME & EXPENDITURE

December-2023

		Month		Year to date		2023/2024	
		Actual	Budget	Actual	Budget	Forecast	Budget
Town Hall	Income	4,669	3,707	43,226	33,365	51,801	44,487
	Expenditure	75,422	48,169	536,146	433,523	703,101	578,030
	Net Income/(Expenditure)	(70,753)	(44,462)	(492,920)	(400,157)	(651,300)	(533,543)
Elgiva	Income	193,294	59,067	548,522	531,600	835,230	708,800
	Expenditure	119,806	68,422	729,028	615,794	965,732	821,058
	Net Income/(Expenditure)	73,488	(9,355)	(180,506)	(84,194)	(130,502)	(112,258)
Gym & Swim	Income	30,881	41,525	371,120	373,725	494,827	498,300
	Expenditure	(5,992)	51,055	409,408	459,497	506,696	612,663
	Net Income/(Expenditure)	36,873	(9,530)	(38,288)	(85,772)	(11,869)	(114,363)
Depot, Open Spaces & Toilets	Income	23	5,751	51,818	51,763	39,524	69,017
	Expenditure	45,912	32,824	277,936	295,412	370,581	393,882
	Net Income/(Expenditure)	(45,889)	(27,072)	(226,118)	(243,649)	(331,058)	(324,865)
Amenities	Income	550	4,394	33,397	39,548	44,529	52,730
	Expenditure	2,516	3,780	26,172	34,018	34,896	45,357
	Net Income/(Expenditure)	(1,966)	614	7,225	5,530	9,633	7,373
Town Centre & Community	Income	(1,493)	608	9,915	5,475	13,220	7,300
	Expenditure	54	3,806	48,575	34,256	64,767	45,675
	Net Income/(Expenditure)	(1,547)	(3,198)	(38,660)	(28,781)	(51,547)	(38,375)
Other	Income - precept	93,158	93,158	838,421	838,421	1,117,894	1,117,894
	Expenditure - loan repayments	-	683	4,105	6,150	8,200	8,200
	Unbudgeted Project Costs			96,534	-	96,534	-
Total Net Income/(Expenditure)		83,364	(528)	(231,486)	(4,753)	(153,482)	(6,337)

General Reserves at 31st March 2023	£698,571.00	£698,571.00
Current EMR/Ring Fenced Reserves (Inc CIL)	£132,224.00	£132,224.00
Current General Reserves	£467,085.50	£545,089.00
Current Overall Position	£599,309.50	£677,313.00

INCOME & EXPENDITURE ACCOUNT

December-2023

Town Hall

INCOME	Code	Month		Year to date		2023.2024	
		Actual	Budget	Actual	Budget	Forecast	Budget
Interest Income	1190	2,434	250	9,277	2,250	12,369	3000
Overs/Unders	1197	0	0	187	0	249	0
Sundry Income	1199	0	41	-16	365	-21	487
Hire Fees	1101	2,253	3,250	16,093	29,250	21,457	39000
Catering	1144	-50	0	4	0	5	0
Equipment Hire	1188	32	83	181	750	241	1000
Grants	1178	0	83	17,500	750	17,500	1000
Total income		4,669	3,707	43,226	33,365	51,801	44,487
EXPENDITURE							
Gross Salary Costs	4001	37,615	37,204	260,202	334,839	346,936	446452
Contractors	4002	8,431	-	69,524	-	92,699	0
Training	4008	3,325	75	4,265	675	5,687	900
Misc Staff Costs	4010	-	-	168	-	224	0
Rates	4011	-	1,333	16,717	12,000	22,289	16000
Water Rates	4012	65	58	544	525	725	700
Electricity	4014	2,506	150	14,397	1,350	19,196	1800
Gas	4015	1,538	1,179	7,323	10,611	9,764	14148
Cleaning	4016	-	67	904	600	1,205	800
Waste Disposal	4017	84	106	964	953	1,285	1270
Telephone	4021	94	50	888	450	1,184	600
Postage	4022	100	83	881	750	1,175	1000
Stationery	4023	-	83	1,663	750	2,217	1000
Subscriptions	4024	-	308	4,016	2,775	3,700	3700
Insurance	4025	-	1,625	23,066	14,625	23,066	19500
Public Licences	4026	-	5	55	45	73	60
Photo-Copier	4028	-	83	856	750	1,141	1000
Recruitment Adverts	4030	-	25	575	225	575	300
Property Maintnace	4036	-	125	4,176	1,125	4,176	1500
Maintenance Contracts	4038	1,624	3,208	35,034	28,875	46,712	38500
Equipment Rental	4041	-	129	1,658	1,163	2,211	1550
Equipment Maintenance	4042	150	83	1,670	750	2,227	1000
Alarm	4047	-	104	2,922	938	3,896	1250
Equipment	4048	46	83	1,256	750	1,675	1000
Town Mayors Allowance	4055	-	208	2,500	1,875	2,500	2500
Audit Fees	4057	-	167	120	1,500	160	2000
External Audit Fees	4058	-	83	-	750	-	1000
Professional Fees	4059	3,288	983	39,958	8,850	53,277	11800
Water Checks	4103	-	263	-	2,363	-	3150
Hospitality	4152	-	-	189	-	252	0
Bank Service Charge	4194	243	167	1,434	1,500	1,912	2000
Credit Card	4197	55	83	878	750	1,171	1000
Sundry Expenses	4199	36	-	549	-	732	0
Website	4280	-	46	583	413	777	550
Investments & Capital	4860	16,222	-	36,211	-	48,281	0
Total expenditure		75,422	48,169	536,146	433,523	703,101	578,030
Total net profit/(loss)		(70,753)	(44,462)	(492,920)	(400,157)	(651,300)	(533,543)

INCOME & EXPENDITURE ACCOUNT

December-2023

Town Centre & Community

INCOME	Code	Month		Year to date		2023.2024	
		Actual	Budget	Actual	Budget	Forecast	Budget
Market Management	1133	0	0	0	0	0	0
Market Stall Rent	1134	337	250	2,917	2,250	3,889	3000
Grants	1178	0	0	1,091	0	1,455	0
Coronation of King Charles	1005	0	0	620	0	827	0
Christmas Day Party	1067	-1,870	0	1,610	0	2,147	0
Christmas in Chesham	1068	40	250	2,577	2,250	3,436	3000
Donations	1177	0	0	600	0	800	0
Fairs	1160	0	108	500	975	667	1300
Total income		(1,493)	608	9,915	5,475	13,220	7,300
EXPENDITURE							
Water Rates	4012	(186)	16	142	140	189	187
Electricity	4014	-	83	225	750	300	1000
CCTV Electricity	4018	-	167	352	1,500	469	2000
Subscriptions	4024	9	67	727	600	969	800
Property Maintenance	4036	-	-	850	-	1,133	0
Maintenance Contracts	4038	-	14	175	122	233	163
Equipment Maintenance	4042	-	-	100	-	133	0
Play Equipment Maintenance	4046	-	250	3,801	2,250	5,068	3000
Market Promotion	4134	-	83	150	750	200	1000
Market Share to CI	4135	-	83	-	750	-	1000
Christmas Lighting	4148	-	-	(30)	-	(40)	0
Hanging Baskets	4151	-	333	-	3,000	-	4000
Sundry Expenses	4199	30	-	7,961	-	10,615	0
Town Centre Flowers	4255	-	333	9,649	3,000	12,865	4000
Coronation of King Charles	4005	-	-	327	-	436	0
Publicity	4032	-	25	290	225	387	300
Grants	4062	-	500	750	4,500	1,000	6000
Schools Carnival	4143	-	60	760	544	1,013	725
Civic Service	4144	-	4	-	38	-	50
Carol Service	4145	120	8	720	75	960	100
Remembrance Sunday	4146	-	4	120	38	160	50
Christmas In Chesham	4147	-	483	4,787	4,350	6,383	5800
Christmas Lighting	4148	-	483	4,372	4,350	5,829	5800
Music in the Park	4201	-	233	1,500	2,100	2,000	2800
Seat & Litter Bins	4141	-	92	-	825	-	1100
Flower Beds	4142	81	108	2,135	975	2,847	1300
Emptying Dog Bins	4149	-	333	3,844	3,000	5,125	4000
Town Clock	4154	-	42	278	375	371	500
Investments & Capital	4860	-	-	4,590	-	6,120	0
Adjustment		-	-	3,971	-	5,295	0
Total expenditure		54	3,806	48,575	34,256	64,767	45,675
Total net profit/(loss)		(1,547)	(3,198)	(38,660)	(28,781)	(51,547)	(38,375)

INCOME & EXPENDITURE ACCOUNT

December-2023

Amenities

INCOME	Code	Month		Year to date		2023.2024	
		Actual	Budget	Actual	Budget	Forecast	Budget
Income Cemetery							
Burial Fees	1151	521	1,583	15,132	14,250	20,176	19000
Memorial Fees	1152	1,154	375	4,846	3,375	6,461	4500
Deed of Grant Transfer	1154	0	25	182	225	243	300
Memorial Renewal Permit	1155	12	18	201	165	268	220
Subtotal		0	2,002	20,361	18,015	27,148	24020
Income Housing							
Housing Rent	1103	0	1,155	313	10,395	417	13860
Water Charges	1121	0	38	12	338	16	450
Subtotal		0	1,193	325	10,733	433	14310
Codmore Income							
Rent Buildings	1105	350	367	3,150	3,300	4,200	4400
Subtotal		350	367	3,150	3,300	4,200	4400
Temperance Hall Income							
Rent Buildings	1105	12	8	0	75	0	100
Subtotal		12	8	0	75	0	100
Football Pitches Income							
Pitch Fees Football	1111	0	117	852	1,050	1,136	1400
Football Pitches	1514	0	333	2,344	3,000	3,125	4000
Subtotal		0	450	3,196	4,050	4,261	5400
Allotments Income							
Hire Fees	1101	188	375	6,365	3,375	8,487	4500
Subtotal		188	375	6,365	3,375	8,487	4500
Total income		550	4,394	33,397	39,548	44,529	52,730
EXPENDITURE							
Expenditure Cemetery							
Contractors	4002	1,844	1,833	14,750	16,500	19,667	22000
Rates	4011	-	92	1,193	825	1,591	1100
Water Rates	4012	-	6	63	50	84	66
Electricity	4014	11	133	838	1,200	1,117	1600
Subscriptions	4024	-	8	95	75	127	100
Memorial Safety Checks	4035	-	21	-	188	-	250
Property Maintenance	4036	-	-	453	-	604	0
Grounds Maintenance	4037	637	42	765	375	1,020	500
Maintenance Contracts	4038	-	15	175	135	233	180
Subtotal		2,492	2,150	18,332	19,347	24,443	25796
Expenditure Housing							
Water Rates	4012	-	38	427	338	569	450
Commission Paradigm	4102	-	116	-	1,040	-	1386
Investments & Capital	4860	-	-	470	-	627	0
Subtotal		-	153	897	1,377	1,196	1836
Expenditure Codmore							
Water Rates	4012	-	8	-	75	-	100
Electricity	4014	-	1,042	2,497	9,375	3,329	12500
Property Maintenance	4036	-	-	435	-	580	0
Maintenance Contracts	4038	-	25	420	225	560	300
Alarm	4047	-	54	727	488	969	650
Subtotal		-	1,129	4,079	10,163	5,439	13550
Expenditure Football Pitches							
Grounds Maintenance	4037	-	67	-	600	-	800
Pitch Marking Supplies	4139	-	25	-	225	-	300
Subtotal		-	92	-	825	-	1100
Expenditure Allotments							
Water Rates	4012	(31)	208	2,032	1,875	2,709	2500
Property Maintenance	4036	-	-	7	-	9	0
Grounds Maintenance	4037	55	48	788	431	1,051	575
Equipment Maintenance	4042	-	-	23	-	31	0
Equipment	4048	-	-	14	-	19	0
Subtotal		24	256	2,864	2,306	3,819	3075
Total expenditure		2,516	3,780	26,172	34,018	34,896	45,357
Total net profit/(loss)		(1,966)	614	7,225	5,530	9,633	7,373

INCOME & EXPENDITURE ACCOUNT

December-2023

Elgiva

INCOME	Code	Month		Year to date		2023.2024	
		Actual	Budget	Actual	Budget	Forecast	Budget
Bar Sales	1001	16,386	9,583	78,396	86,250	104,528	115000
Ice Cream Sales	1002	10,619	1,667	25,086	15,000	33,448	20000
Merchandise	1007	-478	275	596	2,475	795	3300
Hire Fees	1101	4,302	5,133	41,074	46,200	54,765	61600
Live Streaming	1139	2,734	3,750	28,313	33,750	37,751	45000
Cinema	1140	836	4,583	21,153	41,250	28,204	55000
Cinema Media	1141	127	208	1,191	1,875	1,588	2500
Council Promotions	1142	146,669	14,167	276,593	127,500	300,000	170000
Panto Tickets	1143	0	11,250	0	101,250	172,658	135000
Catering	1144	817	833	6,146	7,500	8,195	10000
Ticket Admin Charge	1146	294	150	1,388	1,350	1,851	1800
Commission on Tickets	1147	960	1,000	5,081	9,000	6,775	12000
Transaction Charges	1156	5,779	4,000	42,238	36,000	56,317	48000
Donations	1177	500	550	3,873	4,950	5,164	6600
Grants	1178	1,428	0	4,134	0	5,512	0
Love Elgiva Retail Partner	1181	0	0	13	0	17	0
Love Elgiva Member	1182	163	292	1,853	2,625	2,471	3500
Equipment Hire	1188	235	667	5,197	6,000	6,929	8000
Staff Charges	1194	110	750	3,647	6,750	4,863	9000
Publicity Income	1196	500	208	1,861	1,875	2,481	2500
Overs/unders	1197	1,313	0	658	0	877	0
Sundry Income	1199	0	0	31	0	41	0
Total income		193,294	59,067	548,522	531,600	835,230	708,800
EXPENDITURE							
Bar Supplies	3001	4,784	3,750	31,739	33,750	42,319	45000
Ice Cream Supplies	3002	2,491	500	7,210	4,500	9,613	6000
Gross Salary Costs	4001	46,415	27,197	257,502	244,769	343,336	326358
Contractors	4002	1,154	1,208	9,809	10,875	13,079	14500
Training	4008	-	100	904	900	1,205	1200
Travelling	4009	-	-	32	-	43	0
Misc Staff Costs	4010	-	-	194	-	259	0
Rates	4011	-	1,250	10,729	11,250	8,000	15000
Water Rates	4012	91	158	1,761	1,425	2,348	1900
Electricity	4014	16,590	1,917	59,511	17,250	79,348	23000
Gas	4015	1,621	3,000	15,323	27,000	20,431	36000
Cleaning	4016	320	167	1,670	1,500	2,227	2000
Waste Disposal	4017	248	250	3,070	2,250	4,093	3000
Telephone	4021	39	-	1,375	-	1,833	0
Stationery	4023	(493)	42	677	375	903	500
Subscriptions	4024	-	25	270	225	360	300
Public Licences	4026	1,230	150	5,721	1,350	7,628	1800
Recruitment	4030	-	83	-	750	-	1000
Publicity	4032	684	2,083	19,406	18,750	25,875	25000
Panto Publicity	4034	85	167	2,653	1,500	3,537	2000
Property Maintenance	4036	-	458	2,726	4,125	3,635	5500
Maintenance Contracts	4038	2,604	2,833	28,447	25,500	37,929	34000
Equipment Rental	4041	266	-	4,573	-	6,097	0
Equipment Maintenance	4042	-	667	4,627	6,000	6,169	8000
Alarm	4047	-	150	3,202	1,350	4,269	1800
Equipment	4048	1,860	292	6,096	2,625	8,128	3500
Consumables	4049	877	192	1,967	1,725	2,623	2300
Lease Rental	4065	30	108	531	975	708	1300
Water Checks	4103	-	17	-	150	-	200
Hospitality	4152	-	25	61	225	81	300
Council Productions	4180	2,271	10,625	79,236	95,625	105,648	127500
Cinema Productions	4181	396	1,833	9,410	16,500	12,547	22000
Live Streaming	4182	2,652	2,567	15,754	23,100	21,005	30800
Panto Production Costs	4183	25,256	5,833	26,442	52,500	35,256	70000
Credit Card	4197	1,600	750	10,368	6,750	13,824	9000
Sundry Expenses	4199	-	-	1,404	-	1,872	0
Website	4280	-	8	880	75	1,173	100
Computer Support	4281	-	17	-	150	-	200
Investments & Capital	4860	6,735	-	103,748	-	138,331	0
Total expenditure		119,806	68,422	729,028	615,794	965,732	821,058
Total net profit/(loss)		73,488	(9,355)	(180,506)	(84,194)	(130,502)	(112,258)

INCOME & EXPENDITURE ACCOUNT

December-2023

Gym & Swim

INCOME	Code	Month		Year to date		2023.2024	
		Actual	Budget	Actual	Budget	Forecast	Budget
Ice Cream Sales	1002	0	0	2,470	0	3,293	0
Merchandise	1007	228	792	4,696	7,125	6,261	9500
Rent Buildings	1105	0	458	3,420	4,125	4,560	5500
Overs/Unders	1197	12	0	70	0	93	0
Sundry Income	1199	61	0	195	0	260	0
Adult Swimming	1501	294	167	5,151	1,500	6,868	2000
Junior Swimming	1502	76	125	1,591	1,125	2,121	1500
Senior Swimming	1503	0	42	272	375	363	500
Pool Hire	1507	1,246	1,625	16,063	14,625	21,417	19500
Swimming Lessons	1508	0	83	1,125	750	1,500	1000
Wet Class	1509	56	258	349	2,325	465	3100
Gym	1510	2,749	3,000	29,048	27,000	38,731	36000
Court	1512	18	17	315	150	420	200
Vending	1513	817	875	11,491	7,875	15,321	10500
Dry Class	1515	686	333	3,747	3,000	4,996	4000
Season Ticket	1601	948	1,125	10,888	10,125	14,517	13500
Room hire exemption	1611	0	125	371	1,125	495	1500
Court exemption	1612	-20	0	-10	0	-13	0
Ashbourne	1702	23,710	32,167	278,504	289,500	371,339	386000
Solar Income	1014	0	333	1,364	3,000	1,819	4000
Total income		30,881	41,525	371,120	373,725	494,827	498,300
EXPENDITURE							
Ice Cream Supplies	3002	-	-	220	-	293	0
Vending Supplies	3004	-	167	329	1,500	439	2000
Café Supplies	3006	-	-	4,082	-	5,443	0
Merchandise	3007	1,065	333	2,740	3,000	3,653	4000
Coffee Machine	3008	40	-	2,519	-	3,359	0
Salaries	4001	35,624	20,358	208,506	183,220	278,008	244293
Sub Contractors	4006	-	333	504	3,000	672	4000
Training	4008	73	167	2,129	1,500	2,839	2000
Misc Staff Costs	4010	48	-	2,138	-	2,851	0
Rates	4011	-	2,958	40,662	26,625	15,000	35500
Water	4012	806	1,042	6,073	9,375	8,097	12500
Electricity	4014	-	4,417	26,582	39,750	35,443	53000
Gas	4015	16,265	12,868	57,222	115,815	76,296	154420
Cleaning	4016	235	250	3,637	2,250	4,849	3000
Waste Disposal	4017	-	23	96	203	128	270
Chemicals	4019	-	750	7,971	6,750	10,628	9000
Telephone	4021	-	-	238	-	317	0
Postage	4022	-	3	-	23	-	30
Stationery	4023	-	25	110	225	147	300
Public Licences	4026	-	250	696	2,250	928	3000
Recruitment	4030	-	25	-	225	-	300
Publicity	4032	204	250	1,411	2,250	1,881	3000
Property Maintenance	4036	2	667	5,370	6,000	7,160	8000
Grounds Maintenance	4037	-	13	64	113	85	150
Maintenance Contracts	4038	1,069	2,250	19,566	20,250	26,088	27000
Equipment Maintenance	4042	1,424	1,167	8,023	10,500	10,697	14000
Alarm	4047	-	125	1,615	1,125	2,153	1500
Equipment	4048	104	833	1,671	7,500	2,228	10000
Lease Rentals	4065	269	292	2,696	2,625	3,595	3500
Hanging Baskets	4151	-	33	680	300	907	400
VAT	4193	(63,406)	1,333	(26)	12,000	-	16000
Credit Card	4197	142	125	1,400	1,125	1,867	1500
Sundry Expenses	4199	44	-	417	-	556	0
Webside	4280	-	-	200	-	267	0
Investments & Capital	4860	-	-	(133)	-	(177)	0
Total expenditure		(5,992)	51,055	409,408	459,497	506,696	612,663
Total net profit/(loss)		36,873	(9,530)	(38,288)	(85,772)	(11,869)	(114,363)

INCOME & EXPENDITURE ACCOUNT

December-2023

Depot, Open Spaces & Public Toilet

INCOME	Code	Month		Year to date		2023.2024	
		Actual	Budget	Actual	Budget	Forecast	Budget
BC Windsor Road	1131	0	568	0	5,115	0	6820
BC Devolved	1132	0	1,950	23,410	17,548	23,410	23397
Contract Works	1136	0	2,750	22,068	24,750	9,327	33000
Equipment Hire	1188	0	0	90	0	120	0
Hire Fees	1101	23	108	502	975	669	1300
Wayleaves	1102	0	0	92	0	123	0
Ice Cream Concession	1162	0	375	5,000	3,375	5,000	4500
Grants	1178	0	0	656	0	875	0
Total income		23	5,751	51,818	51,763	39,524	69,017
EXPENDITURE							
Gross Salary Costs	4001	33,604	25,290	202,402	227,612	269,869	303482
Training	4008	-	167	2,176	1,500	2,901	2000
Misc Staff Costs	4010	76	167	22	1,500	29	2000
Water Rates	4012	20	88	22	788	29	1050
Electricity	4014	-	875	7,221	7,875	9,628	10500
Cleaning	4016	-	138	1,061	1,238	1,415	1650
Waste Disposal	4017	-	167	1,612	1,500	2,149	2000
Stationery	4023	-	-	267	-	356	0
Public Licences	4026	-	21	-	188	-	250
Property Maintenance	4036	-	83	1,203	750	1,604	1000
Grounds Maintenance	4037	4,500	250	5,790	2,250	7,720	3000
Maintenance Contracts	4038	1,602	167	3,452	1,500	4,603	2000
Equipment Maintenance	4042	65	167	926	1,500	1,235	2000
Vehicle Maintenance	4043	649	417	7,174	3,750	9,565	5000
Vehicle Fuel	4044	296	792	7,001	7,125	9,335	9500
Vehicle Tax	4045	322	33	1,020	300	1,360	400
Alarm	4047	350	42	584	375	779	500
Equipment	4048	769	333	6,954	3,000	9,272	4000
Professional Fees	4059	(604)	-	604	-	805	0
Lease Rentals	4065	2,296	2,083	21,058	18,750	28,077	25000
Maintenance Tools	4069	-	83	724	750	965	1000
Tree Works	4153	1,900	500	6,500	4,500	8,667	6000
Music In The Park	4201	-	-	650	-	867	0
Subtotal		45,845	31,861	278,423	286,749	371,231	382,332
Expenditure Toilets							
Contractors	4002	-	600	-	5,400	-	7200
Water Rates	4012	67	54	208	488	277	650
Electricity	4014	-	167	(600)	1,500	(800)	2000
Property Maintenance	4036	-	17	9	150	12	200
Maintenance Contracts	4038	-	108	(104)	975	(139)	1300
Water Checks	4103	-	17	-	150	-	200
Subtotal		67	963	(487)	8,663	(649)	11550
Total expenditure		45,912	32,824	277,936	295,412	370,581	393,882
Total net profit/(loss)		(45,889)	(27,072)	(226,118)	(243,649)	(331,058)	(324,865)

AGENDA ITEM NO 8: Finance Systems

Reporting Officer:

Name: Louise Hayday

Title: Chief Executive Officer and Town Clerk

Contact No:

Email: louise.hayday@chesham.gov.uk

Purpose of Report

1. To receive an update on the current and proposed finance systems at Chesham Town Council.

Background Information

2. In 2019 the Council finance system was changed from Rialtas Omega to Pegasus Opera, this was as a result of a consultant report that was commissioned due to Rialtas not being compatible with cloud-based operating at that time.
3. The Council have now been running Opera for 4 years and over that time there has not been regular financial reporting to the Council. The Council operates two 'businesses' that need real time reporting and up to date knowledge of where expenditure is sitting against budgets.
4. In 2023 a consultant was employed to look at financial processes across the Council operations and the conclusion of that report was that the Council should look to change the current finance system, with recommendations of either Xero or QuickBooks. (Report Appendix 1) Both Xero and Quickbooks are business accounting software packages aimed at commercial entities, they will not provide end of year reporting as required for submission of the annual accounting statement or by the external auditor.
5. Currently the Council finances are 4 months behind, VAT returns are not being submitted on time and several financial regulations are not being adhered to. (2.2, 5.2, 5.3, 5.4, 9.7). The Internal audit that took place in June highlighted several issues that cannot easily be solved with the current system in place. There are many paper processes still taking place including writing out physical purchase orders and manually entering town hall booking invoices, these processes are time consuming and many items are being 'double handled'.
6. The current finance staffing set up is insufficient for the task in hand and the issues highlighted in point 5 will not show improvement with the current structure. It was envisaged that the role of Head of Corporate Services would encompass the role of RFO and oversee the financial management of the Council, this is not the case currently. Only one finance assistant undertaking all financial tasks is a single point of failure for the Council and the workload is too great for one person. Currently the Council has no assigned RFO and there is nobody taking responsibility for overseeing the finances of the Council.

Findings

7. Rialtas Omega is now available as a cloud-based system or can be stored on a remote server and accessed via a VPN, it is 'industry standard' software and can be configured to work in line with the chart of accounts, either the current version or a more simplified and refined version. Rialtas has a simple interface that 'non-financial' managers will easily be able to get to grips with,

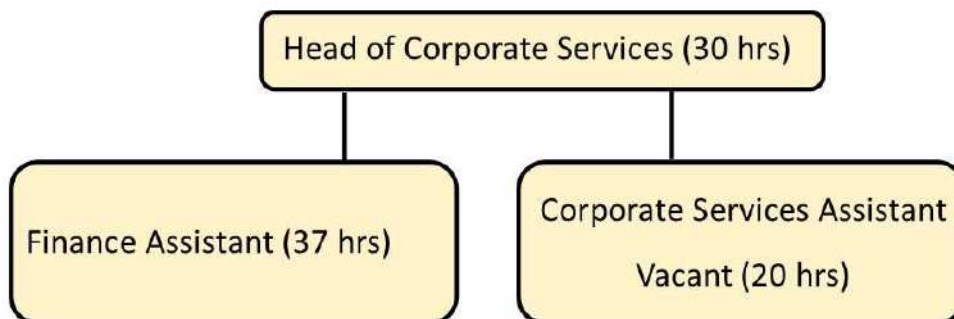
they will be able to produce their own reports, raise purchase orders and check progress and finances. It is therefore suggested that the Council would hold 10 licences for Rialtas.

8. Rialtas also offers a facilities management module that could be used to replace the current paper system that is used to operate the town hall bookings. The facilities management module should be added at the same time to the omega finance package to automate invoicing, a task that is currently done manually using excel and paper.

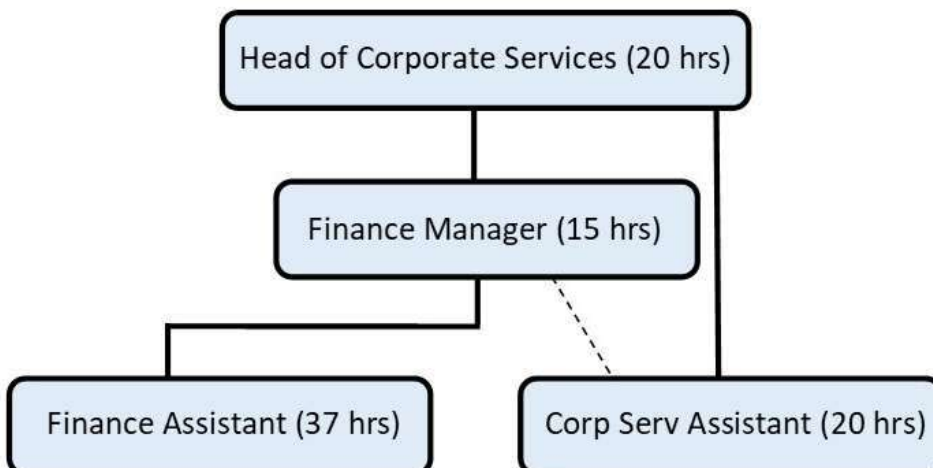
Costs for the facilities booking system is: £1300 for year 1 and then £500 per year going forward, this is for 10 users, allowing all Town Hall staff to have access to the booking system.

9. Excluding Xero and Quickbooks already mentioned, the other main options for Council appropriate accounts packages are Sage, Scribe or Advantedge. Both Scribe and Advantedge are unsuitable due to the size and reporting requirements of the Council and Sage is complicated to use and not easily compatible with council accounting methods and year end reporting.
10. In order to eliminate the 'single point of failure' and speed up the financial management, it will be necessary to change the current staffing structure. It is proposed that the current finance assistant is joined by a corporate services assistant with a strong lean towards finance and a Head of Finance who would report to the Head of Corporate Services but would assist the CEO with financial oversight of the Council. The CEO would take the role of RFO, with the bulk of the work being done by the Finance Manager. This can be achieved within the current staffing budget of corporate services with some re-organisation. Job descriptions for the revised roles can be seen in Appendix 2.

Current



Proposed



11. Other benefits to revised financial working practices would include phased budgeting, greater control of debtors, forecasting, balance sheets, greater control of reserves, including live balances and accurate tracking of EMR's and CIL funds.

Implications

12. Financial:

Opera - £801.00 per month, total current annual cost £9,612.00

Rialtas

Costs	Initial Set up & Yr 1 Costs	Ongoing Annual Costs	Read only Opera Costs
Remote Install & set up	£425.00		
1 st year annual support (10 users)	£1288.00		
Training (3 days)	£1,500.00		
Making tax digital	£100.00	£100.00	
Annual Support (10 users)		£1,288.00	
Facilities Booking System	£1,300.00	£500.00	
Total	£4,613.00	£1,888.00	£1,904.04

This represents a saving of £3,094.96 in year one and £5,819.96 ongoing (subject to annual rate reviews)

There is a 3month cancellation notice period for Opera, which would allow for the competition of the current year and the setup of the new system, which would take place in May/June and be back keyed to April. Opera would then need to be retained as a read only system to ensure access to previous years accounts, which is a legal requirement for 6 years.

13. Strategic: 'We will ensure that the money entrusted to us by the residents of Chesham is securely managed and spent effectively on achieving the above strategic objectives.'
14. Environmental: none pertaining to this report.
15. Equality Act: none pertaining to this report.

Recommendation:

- 16. The following recommendations are made:**

- i) To alter the staffing structure as outlined in the report.
- ii) To proceed with changes to the financial operating system, moving away from Opera and to Rialtas Omega.
- iii) To implement the facilities booking system in tandem to cut paper processes and increase efficiency.

Report of the Officers to a meeting of the Corporate Services Committee on 2nd April 2024

AGENDA ITEM NO 9: Standing Orders & Financial Regulations

Reporting Officer:

Name: Louise Hayday

Title: CEO/Town Clerk

Contact No:01494 774842

Email: louise.hayday@chesham.gov.uk

Purpose of Report

1. To review the current standing orders and Financial Regulations of Chesham Town Council.

Background Information

2. Standing Orders and Financial Regulations are then written rules of the Council, they are used to confirm a council's internal organisational, administrative, financial and procurement procedures and procedural matters for meetings.
3. The current Standing Order were adopted in April 2023 and do not follow the model standing orders provides by NALC (National Association of Local Councils)
4. The Financial Regulations state they were last adopted in June 2023, however do not appear on any minutes from that month, previous to that it is unclear when they were last reviewed.
5. The Council should review the Standing Orders and Financial Regulations annually and they should be re-adopted at the Annual Meeting of the Town Council in May of each year.

Findings

6. The NALC model document contains 50 Standing Orders that contain legal and statutory requirements, only 23 of this are included in the current Standing Orders.
7. The model Standing Order document is updated when legislation requires it and notifications are sent out to member councils, of which Chesham is. With the current document not following the model document it is very difficult to locate items that need to be changed and updated as the two documents cannot be compared.
8. Financial Regulation – Openness Of Local Bodies Regulations 2014 should be removed, this is not a standard financial regulation and is usually applied only for district and unitary authorities.

Implications

9. Financial: Changes to legislation could be missed.
10. Strategic: None specifically, but the Council acting ultra-vires due to omitted standing orders could impact all Council operations.
11. Environmental: None pertaining to this report
12. Equality Act: none pertaining to this report.

Recommendation:

- i) To approve or alter any minor amendments, either in red or highlighted yellow in the draft documents.**
- ii) To approve the recommendation of the new Standing Orders that are based on the NALC model document, to the Council for adoption at the Annual Meeting of the Town Council in May.**
- iii) To approve the recommendation of the revised Financial Regulations to the Council for adoption at the Annual Meeting of the Town Council in May.**



Chesham

TOWN COUNCIL

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1. RULES OF DEBATE AT MEETINGS

- a Motions on the agenda shall be considered in the order that they appear unless the order is changed at the discretion of the chair of the meeting.
- b A motion (including an amendment) shall not be progressed unless it has been moved and seconded.
- c A motion on the agenda that is not moved by its proposer may be treated by the chair of the meeting as withdrawn.
- d If a motion (including an amendment) has been seconded, it may be withdrawn by the proposer only with the consent of the seconder and the meeting.
- e An amendment is a proposal to remove or add words to a motion. It shall not negate the motion.
- f If an amendment to the original motion is carried, the original motion (as amended) becomes the substantive motion upon which further amendment(s) may be moved.
- g An amendment shall not be considered unless early verbal notice of it is given at the meeting and, if requested by the chair of the meeting, is expressed in writing to the chair.
- h A councillor may move an amendment to his/her/their own motion if agreed by the meeting. If a motion has already been seconded, the amendment shall be with the consent of the seconder and the meeting.
- i If there is more than one amendment to an original or substantive motion, the amendments shall be moved in the order directed by the chair of the meeting.
- j Subject to standing order 1(k), only one amendment shall be moved and debated at a time, the order of which shall be directed by the chair of the meeting.
- k One or more amendments may be discussed together if the chair of the meeting considers this expedient but each amendment shall be voted upon separately.
- l A councillor may not move more than one amendment to an original or substantive motion.
- m The mover of an amendment has no right of reply at the end of debate on it.
- n Where a series of amendments to an original motion are carried, the mover of the original motion shall have a right of reply either at the end of debate on the first amendment or at the very end of debate on the final substantive motion immediately before it is put to the vote.
- o Unless permitted by the chair of the meeting, a councillor may speak once in the debate on a motion except:

- i. to speak on an amendment moved by another councillor;
 - ii. to move or speak on another amendment if the motion has been amended since he/she/they last spoke;
 - iii. to make a point of order;
 - iv. to give a personal explanation; or
 - v. to exercise a right of reply.
- p During the debate on a motion, a councillor may interrupt only on a point of order or a personal explanation and the councillor who was interrupted shall stop speaking. A councillor raising a point of order shall identify the standing order which he/she/they considers has been breached or specify the other irregularity in the proceedings of the meeting he/she/they is concerned by.
- q A point of order shall be decided by the chair of the meeting and his/her/their decision shall be final.
- r When a motion is under debate, no other motion shall be moved except:
- i. to amend the motion;
 - ii. to proceed to the next business;
 - iii. to adjourn the debate;
 - iv. to put the motion to a vote;
 - v. to ask a person to be no longer heard or to leave the meeting;
 - vi. to refer a motion to a committee or sub-committee for consideration;
 - vii. to exclude the public and press;
 - viii. to adjourn the meeting; or
 - ix. to suspend particular standing order(s) excepting those which reflect mandatory statutory or legal requirements.
- s Before an original or substantive motion is put to the vote, the chair of the meeting shall be satisfied that the motion has been sufficiently debated and that the mover of the motion under debate has exercised or waived his/her/their right of reply.
- t Excluding motions moved under standing order 1(r), the contributions or speeches by a councillor shall relate only to the motion under discussion and shall not exceed 5 minutes without the consent of the chair of the meeting.

2. DISORDERLY CONDUCT AT MEETINGS

- a No person shall obstruct the transaction of business at a meeting or behave offensively or improperly. If this standing order is ignored, the chair of the meeting shall request such person(s) to moderate or improve their conduct.
- b If person(s) disregard the request of the chair of the meeting to moderate or improve their conduct, any councillor or the chair of the meeting may move that the person be no longer heard or be excluded from the meeting. The motion, if seconded, shall be put to the vote without discussion.
- c If a resolution made under standing order 2(b) is ignored, the chair of the meeting may take further reasonable steps to restore order or to progress the meeting. This may include temporarily suspending or closing the meeting.

3. MEETINGS GENERALLY

Full Council meetings	●
Committee meetings	●
Sub-committee meetings	●

- a **Meetings shall not take place in premises which at the time of the meeting are used for the supply of alcohol, unless no other premises are available free of charge or at a reasonable cost.**
- b **The minimum three clear days for notice of a meeting does not include the day on which notice was issued, the day of the meeting, a Sunday, a day of the Christmas break, a day of the Easter break or of a bank holiday or a day appointed for public thanksgiving or mourning.**
- c **The minimum three clear days' public notice for a meeting does not include the day on which the notice was issued or the day of the meeting unless the meeting is convened at shorter notice**
- d **Meetings shall be open to the public unless their presence is prejudicial to the public interest by reason of the confidential nature of the business to be transacted or for other special reasons. The public's exclusion from part or all of a meeting shall be by a resolution which shall give reasons for the public's exclusion.**
- e Members of the public may make representations, answer questions and give evidence at a meeting which they are entitled to attend in respect of the business on the agenda.
- f The period of time designated for public participation at a meeting in accordance with standing order 3(e) shall not exceed 15 minutes unless

- directed by the chair of the meeting.
- g Subject to standing order 3(f), a member of the public shall not speak for more than 3 minutes.
 - h In accordance with standing order 3(e), a question shall not require a response at the meeting nor start a debate on the question. The chair of the meeting may direct that a written or oral response be given.
 - i A person shall raise his/her/their hand when requesting to speak and stand when speaking (except when a person has a disability or is likely to suffer discomfort). The chair of the meeting may at any time permit a person to be seated when speaking.
 - j A person who speaks at a meeting shall direct his/her/their comments to the chair of the meeting.
 - k Only one person is permitted to speak at a time. If more than one person wants to speak, the chair of the meeting shall direct the order of speaking.
 - l **Subject to standing order 3(m), a person who attends a meeting is permitted to report on the meeting whilst the meeting is open to the public. To “report” means to film, photograph, make an audio recording of meeting proceedings, use any other means for enabling persons not present to see or hear the meeting as it takes place or later or to report or to provide oral or written commentary about the meeting so that the report or commentary is available as the meeting takes place or later to persons not present.**
 - m **A person present at a meeting may not provide an oral report or oral commentary about a meeting as it takes place without permission.**
 - n **The press shall be provided with reasonable facilities for the taking of their report of all or part of a meeting at which they are entitled to be present.**
 - o **Subject to standing orders which indicate otherwise, anything authorised or required to be done by, to or before the Chair of the Council may in his/her/their absence be done by, to or before the Vice-Chair of the Council (if there is one).**
 - p **The Chair of the Council, if present, shall preside at a meeting. If the Chair is absent from a meeting, the Vice-Chair of the Council (if there is one) if present, shall preside. If both the Chair and the Vice-Chair are absent from a meeting, a councillor as chosen by the councillors present at the meeting shall preside at the meeting.**
 - q **Subject to a meeting being quorate, all questions at a meeting shall be decided by a majority of the councillors and non-councillors with voting rights present and voting.**
 - r **The chair of a meeting may give an original vote on any matter put to**

- **the vote, and in the case of an equality of votes may exercise**
- **his/her/their casting vote whether or not he/she/they gave an original**
- **vote.**

See standing orders 5(h) and (i) for the different rules that apply in the election of the Chair of the Council at the annual meeting of the Council.

- **s Unless standing orders provide otherwise, voting on a question shall be by a show of hands. At the request of a councillor, the voting on any question shall be recorded so as to show whether each councillor present and voting gave his/her/their vote for or against that question.** Such a request shall be made before moving on to the next item of business on the agenda.

t The minutes of a meeting shall include an accurate record of the following:

- i. the time and place of the meeting;
- ii. the names of councillors who are present and the names of councillors who are absent;
- iii. interests that have been declared by councillors and non-councillors with voting rights;
- iv. the grant of dispensations (if any) to councillors and non-councillors with voting rights;
- v. whether a councillor or non-councillor with voting rights left the meeting when matters that they held interests in were being considered;
- vi. if there was a public participation session; and
- vii. the resolutions made.

- **u A councillor or a non-councillor with voting rights who has a**
- **disclosable pecuniary interest or another interest as set out in the**
- **Council's code of conduct in a matter being considered at a meeting is subject to statutory limitations or restrictions under the code on his/her/their right to participate and vote on that matter.**

- **v No business may be transacted at a meeting unless at least one-third of the whole number of members of the Council are present and in no case shall the quorum of a meeting be less than three.**

See standing order 4d(viii) for the quorum of a committee or sub-committee meeting.

- **w If a meeting is or becomes inquorate no business shall be transacted**
- **and the meeting shall be closed. The business on the agenda for the meeting**
- **shall be adjourned to another meeting.**

- x A meeting shall not exceed a **period of 2 hours.**

4. COMMITTEES AND SUB-COMMITTEES

- a **Unless the Council determines otherwise, a committee may appoint a sub-committee whose terms of reference and members shall be determined by the committee.**
- b **The members of a committee may include non-councillors unless it is a committee which regulates and controls the finances of the Council.**
- c **Unless the Council determines otherwise, all the members of an advisory committee and a sub-committee of the advisory committee may be non-councillors.**
- d The Council may appoint standing committees or other committees as may be necessary, and:
 - i. shall determine their terms of reference;
 - ii. shall determine the number and time of the ordinary meetings of a standing committee up until the date of the next annual meeting of the Council;
 - iii. shall permit a committee, other than in respect of the ordinary meetings of a committee, to determine the number and time of its meetings;
 - iv. shall, subject to standing orders 4(b) and (c), appoint and determine the terms of office of members of such a committee;
 - v. may, subject to standing orders 4(b) and (c), appoint and determine the terms of office of the substitute members to a committee whose role is to replace the ordinary members at a meeting of a committee if the ordinary members of the committee confirm to the Proper Officer 3 days before the meeting that they are unable to attend;
 - vi. shall, after it has appointed the members of a standing committee, appoint the chair of the standing committee;
 - vii. shall permit a committee other than a standing committee, to appoint its own chair at the first meeting of the committee;
 - viii. shall determine the place, notice requirements and quorum for a meeting of a committee and a sub-committee which, in both cases, shall be no less than three;
 - ix. shall determine if the public may participate at a meeting of a committee;
 - x. shall determine if the public and press are permitted to attend the

meetings of a sub-committee and also the advance public notice requirements, if any, required for the meetings of a sub-committee;

- xi. shall determine if the public may participate at a meeting of a sub-committee that they are permitted to attend; and
- xii. may dissolve a committee or a sub-committee.

5. ORDINARY COUNCIL MEETINGS

- a **In an election year, the annual meeting of the Council shall be held on or within 14 days following the day on which the councillors elected take office.**
- b **In a year which is not an election year, the annual meeting of the Council shall be held on such day in May as the Council decides.**
- c **If no other time is fixed, the annual meeting of the Council shall take place at 6pm.**
- d **In addition to the annual meeting of the Council, at least three other ordinary meetings shall be held in each year on such dates and times as the Council decides.**
- e **The first business conducted at the annual meeting of the Council shall be the election of the Chair and Vice-Chair (if there is one) of the Council.**
- f **The Chair of the Council, unless he/she/they has resigned or becomes disqualified, shall continue in office and preside at the annual meeting until his/her/their successor is elected at the next annual meeting of the Council.**
- g **The Vice-Chair of the Council, if there is one, unless he/she/they resigns or becomes disqualified, shall hold office until immediately after the election of the Chair of the Council at the next annual meeting of the Council.**
- h **In an election year, if the current Chair of the Council has not been re-elected as a member of the Council, he/she/they shall preside at the annual meeting until a successor Chair of the Council has been elected. The current Chair of the Council shall not have an original vote in respect of the election of the new Chair of the Council but shall give a casting vote in the case of an equality of votes.**
- i **In an election year, if the current Chair of the Council has been re-elected as a member of the Council, he/she/they shall preside at the annual meeting until a new Chair of the Council has been elected. He/she/they may exercise an original vote in respect of the election of the new Chair**

of the Council and shall give a casting vote in the case of an equality of votes.

- j Following the election of the Chair of the Council and Vice-Chair (if there is one) of the Council at the annual meeting, the business shall include:
- i. **In an election year, delivery by the Chair of the Council and councillors of their acceptance of office forms unless the Council resolves for this to be done at a later date. In a year which is not an election year, delivery by the Chair of the Council of his/her/their acceptance of office form unless the Council resolves for this to be done at a later date;**
 - ii. Confirmation of the accuracy of the minutes of the last meeting of the Council;
 - iii. Receipt of the minutes of the last meeting of a committee;
 - iv. Consideration of the recommendations made by a committee;
 - v. Review of delegation arrangements to committees, sub-committees, staff and other local authorities;
 - vi. Review of the terms of reference for committees;
 - vii. Appointment of members to existing committees;
 - viii. Appointment of any new committees in accordance with standing order 4;
 - ix. Review and adoption of appropriate standing orders and financial regulations;
 - x. Review of arrangements (including legal agreements) with other local authorities, not-for-profit bodies and businesses.
 - xi. Review of representation on or work with external bodies and arrangements for reporting back;
 - xii. In an election year, to make arrangements with a view to the Council becoming eligible to exercise the general power of competence in the future;
 - xiii. Review of inventory of land and other assets including buildings and office equipment;
 - xiv. Confirmation of arrangements for insurance cover in respect of all insurable risks;
 - xv. Review of the Council's and/or staff subscriptions to other bodies;
 - ~~xvi. Review of the Council's complaints procedure;~~
 - ~~xvii. Review of the Council's policies, procedures and practices in respect of~~

~~its obligations under freedom of information and data protection legislation (see also standing orders 11, 20 and 21);~~

~~xviii. Review of the Council's policy for dealing with the press/media;~~

~~xix. Review of the Council's employment policies and procedures;~~

xx. Review of the Council's expenditure incurred under s.137 of the Local Government Act 1972 or the general power of competence.

~~xxi. Determining the time and place of ordinary meetings of the Council up to and including the next annual meeting of the Council.~~

6. EXTRAORDINARY MEETINGS OF THE COUNCIL, COMMITTEES AND SUB-COMMITTEES

- a **The Chair of the Council may convene an extraordinary meeting of the Council at any time.**
- b **If the Chair of the Council does not call an extraordinary meeting of the Council within seven days of having been requested in writing to do so by two councillors, any two councillors may convene an extraordinary meeting of the Council. The public notice giving the time, place and agenda for such a meeting shall be signed by the two councillors.**
- c The chair of a committee [or a sub-committee] may convene an extraordinary meeting of the committee [or the sub-committee] at any time.
- d If the chair of a committee [or a sub-committee] does not call an extraordinary meeting within **7 days** of having been requested to do so by **2 members** of the committee [or the sub-committee], any **2 members** of the committee [or the sub-committee] may convene an extraordinary meeting of the committee [or a sub-committee].

7. PREVIOUS RESOLUTIONS

- a A resolution shall not be reversed within six months except either by a special motion, which requires written notice by at least **5 councillors** to be given to the Proper Officer in accordance with standing order 9, or by a motion moved in pursuance of the recommendation of a committee or a sub-committee.
- b When a motion moved pursuant to standing order 7(a) has been disposed of, no similar motion may be moved for a further six months.

8. VOTING ON APPOINTMENTS

- a Where more than two persons have been nominated for a position to be filled by the Council and none of those persons has received an absolute majority of votes in their favour, the name of the person having the least number of votes shall be struck off the list and a fresh vote taken. This process shall continue until a majority of votes is given in favour of one person. A tie in votes may be settled by the casting vote exercisable by the chair of the meeting.

9. MOTIONS FOR A MEETING THAT REQUIRE WRITTEN NOTICE TO BE GIVEN TO THE PROPER OFFICER

- a A motion shall relate to the responsibilities of the meeting for which it is tabled and in any event shall relate to the performance of the Council's statutory functions, powers and obligations or an issue which specifically affects the Council's area or its residents.
- b No motion may be moved at a meeting unless it is on the agenda and the mover has given written notice of its wording to the Proper Officer at least **12 clear days** before the meeting. Clear days do not include the day of the notice or the day of the meeting.
- c The Proper Officer may, before including a motion on the agenda received in accordance with standing order 9(b), correct obvious grammatical or typographical errors in the wording of the motion.
- d If the Proper Officer considers the wording of a motion received in accordance with standing order 9(b) is not clear in meaning, the motion shall be rejected until the mover of the motion resubmits it, so that it can be understood, in writing, to the Proper Officer at least **7 clear days** before the meeting.
- e If the wording or subject of a proposed motion is considered improper, the Proper Officer shall consult with the chair of the forthcoming meeting or, as the case may be, the councillors who have convened the meeting, to consider whether the motion shall be included in the agenda or rejected.
- f The decision of the Proper Officer as to whether or not to include the motion on the agenda shall be final.
- g Motions received shall be recorded and numbered in the order that they are received.
- h Motions rejected shall be recorded with an explanation by the Proper Officer of the reason for rejection.

10. MOTIONS AT A MEETING THAT DO NOT REQUIRE WRITTEN NOTICE

- a The following motions may be moved at a meeting without written notice to the Proper Officer:
 - i. to correct an inaccuracy in the draft minutes of a meeting;
 - ii. to move to a vote;
 - iii. to defer consideration of a motion;
 - iv. to refer a motion to a particular committee or sub-committee;
 - v. to appoint a person to preside at a meeting;
 - vi. to change the order of business on the agenda;
 - vii. to proceed to the next business on the agenda;
 - viii. to require a written report;
 - ix. to appoint a committee or sub-committee and their members;
 - x. to extend the time limits for speaking;
 - xi. to exclude the press and public from a meeting in respect of confidential or other information which is prejudicial to the public interest;
 - xii. to not hear further from a councillor or a member of the public;
 - xiii. to exclude a councillor or member of the public for disorderly conduct;
 - xiv. to temporarily suspend the meeting;
 - xv. to suspend a particular standing order (unless it reflects mandatory statutory or legal requirements);
 - xvi. to adjourn the meeting; or
 - xvii. to close the meeting.

11. MANAGEMENT OF INFORMATION

See also standing order 20.

- a **The Council shall have in place and keep under review, technical and organisational measures to keep secure information (including personal data) which it holds in paper and electronic form. Such arrangements shall include deciding who has access to personal data and encryption of**

personal data.

- b **The Council shall have in place, and keep under review, policies for the retention and safe destruction of all information (including personal data) which it holds in paper and electronic form. The Council's retention policy shall confirm the period for which information (including personal data) shall be retained or if this is not possible the criteria used to determine that period (e.g. the Limitation Act 1980).**
- c **The agenda, papers that support the agenda and the minutes of a meeting shall not disclose or otherwise undermine confidential information or personal data without legal justification.**
- d **Councillors, staff, the Council's contractors and agents shall not disclose confidential information or personal data without legal justification.**

12. DRAFT MINUTES

Full Council meetings	●
Committee meetings	●
Sub-committee meetings	●

- a If the draft minutes of a preceding meeting have been served on councillors with the agenda to attend the meeting at which they are due to be approved for accuracy, they shall be taken as read.
- b There shall be no discussion about the draft minutes of a preceding meeting except in relation to their accuracy. A motion to correct an inaccuracy in the draft minutes shall be moved in accordance with standing order 10(a)(i).
- c The accuracy of draft minutes, including any amendment(s) made to them, shall be confirmed by resolution and shall be signed by the chair of the meeting and stand as an accurate record of the meeting to which the minutes relate.
- d If the chair of the meeting does not consider the minutes to be an accurate record of the meeting to which they relate, he/she/they shall sign the minutes and include a paragraph in the following terms or to the same effect:

“The chair of this meeting does not believe that the minutes of the meeting of the () held on [date] in respect of () were a correct record but his/her/their view was not upheld by the meeting and the minutes are confirmed as an accurate record of the proceedings.”
- e **If the Council's gross annual income or expenditure (whichever is higher) does not exceed £25,000, it shall publish draft minutes on a website which is publicly accessible and free of charge not later than one month after the meeting has taken place.**

- f Subject to the publication of draft minutes in accordance with standing order 12(e) and standing order 20(a) and following a resolution which confirms the accuracy of the minutes of a meeting, the draft minutes or recordings of the meeting for which approved minutes exist shall be destroyed.

13. CODE OF CONDUCT AND DISPENSATIONS

See also standing order 3(u).

- a All councillors and non-councillors with voting rights shall observe the code of conduct adopted by the Council.
- b Unless he/she/they has been granted a dispensation, a councillor or non-councillor with voting rights shall withdraw from a meeting when it is considering a matter in which he/she/they has a disclosable pecuniary interest. He/she/they may return to the meeting after it has considered the matter in which he/she/they had the interest.
- c Unless he/she/they has been granted a dispensation, a councillor or non-councillor with voting rights shall withdraw from a meeting when it is considering a matter in which he/she/they has another interest if so required by the Council's code of conduct. He/she/they may return to the meeting after it has considered the matter in which he/she/they had the interest.
- d **Dispensation requests shall be in writing and submitted to the Proper Officer** as soon as possible before the meeting, or failing that, at the start of the meeting for which the dispensation is required.
- e A decision as to whether to grant a dispensation shall be made by a meeting of the Council, or committee or sub-committee for which the dispensation is required and that decision is final.
- f A dispensation request shall confirm:
 - i. the description and the nature of the disclosable pecuniary interest or other interest to which the request for the dispensation relates;
 - ii. whether the dispensation is required to participate at a meeting in a discussion only or a discussion and a vote;
 - iii. the date of the meeting or the period (not exceeding four years) for which the dispensation is sought; and
 - iv. an explanation as to why the dispensation is sought.
- g Subject to standing orders 13(d) and (f), a dispensation request shall be considered [by the Proper Officer before the meeting or, if this is not possible, at the start of the meeting for which the dispensation is required] OR [at the beginning of the meeting of the Council, or committee or sub-committee for

which the dispensation is required].

- h A dispensation may be granted in accordance with standing order 13(e) if having regard to all relevant circumstances any of the following apply:**
 - i. without the dispensation the number of persons prohibited from participating in the particular business would be so great a proportion of the meeting transacting the business as to impede the transaction of the business;**
 - ii. granting the dispensation is in the interests of persons living in the Council's area; or**
 - iii. it is otherwise appropriate to grant a dispensation.**

14. CODE OF CONDUCT COMPLAINTS

- a Upon notification by the District or Unitary Council that it is dealing with a complaint that a councillor or non-councillor with voting rights has breached the Council's code of conduct, the Proper Officer shall, subject to standing order 11, report this to the Council.
- b Where the notification in standing order 14(a) relates to a complaint made by the Proper Officer, the Proper Officer shall notify the Chair of Council of this fact, and the Chair shall nominate another staff member to assume the duties of the Proper Officer in relation to the complaint until it has been determined and the Council has agreed what action, if any, to take in accordance with standing order 14(d).
- c The Council may:
 - i. provide information or evidence where such disclosure is necessary to investigate the complaint or is a legal requirement;
 - ii. seek information relevant to the complaint from the person or body with statutory responsibility for investigation of the matter;
- d Upon notification by the District or Unitary Council that a councillor or non-councillor with voting rights has breached the Council's code of conduct, the Council shall consider what, if any, action to take against him. Such action excludes disqualification or suspension from office.**

15. PROPER OFFICER

- a The Proper Officer shall be either (i) the clerk or (ii) other staff member(s) nominated by the Council to undertake the work of the Proper Officer when the Proper Officer is absent.
- b The Proper Officer shall:
- i. **at least three clear days before a meeting of the council, a committee or a sub-committee,**
 - **serve on councillors by delivery or post at their residences or by email authenticated in such manner as the Proper Officer thinks fit, a signed summons confirming the time, place and the agenda (provided the councillor has consented to service by email), and**
 - **Provide, in a conspicuous place, public notice of the time, place and agenda (provided that the public notice with agenda of an extraordinary meeting of the Council convened by councillors is signed by them).**

See standing order 3(b) for the meaning of clear days for a meeting of a full council and standing order 3(c) for the meaning of clear days for a meeting of a committee;

- ii. subject to standing order 9, include on the agenda all motions in the order received unless a councillor has given written notice at least 5 days before the meeting confirming his/her/their withdrawal of it;
- iii. **convene a meeting of the Council for the election of a new Chair of the Council, occasioned by a casual vacancy in his/her/their office;**
- iv. **facilitate inspection of the minute book by local government electors;**
- v. **receive and retain copies of byelaws made by other local authorities;**
- vi. hold acceptance of office forms from councillors;
- vii. hold a copy of every councillor's register of interests;
- viii. assist with responding to requests made under freedom of information legislation and rights exercisable under data protection legislation, in accordance with the Council's relevant policies and procedures;
- ix. liaise, as appropriate, with the Council's Data Protection Officer (if there is one);
- x. receive and send general correspondence and notices on behalf of the Council except where there is a resolution to the contrary;

- xi. assist in the organisation of, storage of, access to, security of and destruction of information held by the Council in paper and electronic form subject to the requirements of data protection and freedom of information legislation and other legitimate requirements (e.g. the Limitation Act 1980);
- xii. arrange for legal deeds to be executed;
(*see also standing order 23*);
- xiii. arrange or manage the prompt authorisation, approval, and instruction regarding any payments to be made by the Council in accordance with its financial regulations;
- xiv. record every planning application notified to the Council and the Council's response to the local planning authority in a book for such purpose;
- xv. refer a planning application received by the Council to the next meeting of the planning committee;
- xvi. manage access to information about the Council via the publication scheme; and
- xvii. retain custody of the seal of the Council (if there is one) which shall not be used without a resolution to that effect.
(*see also standing order 23*).

16. RESPONSIBLE FINANCIAL OFFICER

- a The Council shall appoint appropriate staff member(s) to undertake the work of the Responsible Financial Officer when the Responsible Financial Officer is absent.

17. ACCOUNTS AND ACCOUNTING STATEMENTS

- a "Proper practices" in standing orders refer to the most recent version of "Governance and Accountability for Local Councils – a Practitioners' Guide".
- b All payments by the Council shall be authorised, approved and paid in accordance with the law, proper practices and the Council's financial regulations.
- c The Responsible Financial Officer shall supply to each councillor as soon as practicable after 30 June, 30 September and 31 December in each year a statement to summarise:
 - i. the Council's receipts and payments (or income and expenditure) for each quarter;

- ii. the Council's aggregate receipts and payments (or income and expenditure) for the year to date;
 - iii. the balances held at the end of the quarter being reported and which includes a comparison with the budget for the financial year and highlights any actual or potential overspends.
- d As soon as possible after the financial year end at 31 March, the Responsible Financial Officer shall provide:
- i. each councillor with a statement summarising the Council's receipts and payments (or income and expenditure) for the last quarter and the year to date for information; and
 - ii. to the Council the accounting statements for the year in the form of Section 2 of the annual governance and accountability return, as required by proper practices, for consideration and approval.
- e The year-end accounting statements shall be prepared in accordance with proper practices and apply the form of accounts determined by the Council (receipts and payments, or income and expenditure) for the year to 31 March. A completed draft annual governance and accountability return shall be presented to all councillors at least 14 days prior to anticipated approval by the Council. The annual governance and accountability return of the Council, which is subject to external audit, including the annual governance statement, shall be presented to the Council for consideration and formal approval before 30 June.

18. FINANCIAL CONTROLS AND PROCUREMENT

- a. The Council shall consider and approve financial regulations drawn up by the Responsible Financial Officer, which shall include detailed arrangements in respect of the following:
- i. the keeping of accounting records and systems of internal controls;
 - ii. the assessment and management of financial risks faced by the Council;
 - iii. the work of the independent internal auditor in accordance with proper practices and the receipt of regular reports from the internal auditor, which shall be required at least annually;
 - iv. the inspection and copying by councillors and local electors of the Council's accounts and/or orders of payments; and
 - v. whether contracts with an estimated value below **£25,000** due to special circumstances are exempt from a tendering process or procurement exercise.

- b. Financial regulations shall be reviewed regularly and at least annually for fitness of purpose.
- c. **A public contract regulated by the Public Contracts Regulations 2015 with an estimated value in excess of £25,000 but less than the relevant thresholds referred to in standing order 18(f) is subject to the “light touch” arrangements under Regulations 109-114 of the Public Contracts Regulations 2015 unless it proposes to use an existing list of approved suppliers (framework agreement).**
- d. Subject to additional requirements in the financial regulations of the Council, the tender process for contracts for the supply of goods, materials, services or the execution of works shall include, as a minimum, the following steps:
 - i. a specification for the goods, materials, services or the execution of works shall be drawn up;
 - ii. an invitation to tender shall be drawn up to confirm (i) the Council’s specification (ii) the time, date and address for the submission of tenders (iii) the date of the Council’s written response to the tender and (iv) the prohibition on prospective contractors contacting councillors or staff to encourage or support their tender outside the prescribed process;
 - iii. the invitation to tender shall be advertised in a local newspaper and in any other manner that is appropriate;
 - iv. tenders are to be submitted in writing in a sealed marked envelope addressed to the Proper Officer;
 - v. tenders shall be opened by the Proper Officer in the presence of at least one councillor after the deadline for submission of tenders has passed;
 - vi. tenders are to be reported to and considered by the appropriate meeting of the Council or a committee or sub-committee with delegated responsibility.
- e. Neither the Council, nor a committee or a sub-committee with delegated responsibility for considering tenders, is bound to accept the lowest value tender.
- f. **Where the value of a contract is likely to exceed the threshold specified by the Office of Government Commerce from time to time, the Council must consider whether the Public Contracts Regulations 2015 or the Utilities Contracts Regulations 2016 apply to the contract and, if either of those Regulations apply, the Council must comply with procurement rules. NALC’s procurement guidance contains further details.**

19. HANDLING STAFF MATTERS

- a A matter personal to a member of staff that is being considered by a meeting of Council OR the Corporate Services Committee is subject to standing order 11.
- b Subject to the Council's policy regarding absences from work, the Council's most senior member of staff shall notify the chair of Corporate Services Committee or, if he/she/they is not available, the vice-chair (if there is one) of the Corporate Services Committee of absence occasioned by illness or other reason and that person shall report such absence to the Corporate Services Committee at its next meeting.
- c Councillors appointed by the Corporate Services Committee shall conduct a review of the performance and annual appraisal of the work of CEO & Town Clerk. The reviews and appraisal shall be reported in writing and are subject to approval by resolution by Corporate Services Committee.
- d Subject to the Council's policy regarding the handling of grievance matters, the Council's most senior member of staff (or other members of staff) shall contact the chair of Corporate Services Committee or in his/her/their absence, the vice-chair of Corporate Services Committee in respect of an informal or formal grievance matter, and this matter shall be reported back and progressed by resolution of Corporate Services Committee.
- e Subject to the Council's policy regarding the handling of grievance matters, if an informal or formal grievance matter raised by CEO & Town Clerk relates to the chair or vice-chair of Corporate Services Committee, this shall be communicated to another member of the Corporate Services Committee, which shall be reported back and progressed by resolution of the Corporate Services Committee.
- f Any persons responsible for all or part of the management of staff shall treat as confidential the written records of all meetings relating to their performance, capabilities, grievance or disciplinary matters.
- g In accordance with standing order 11(a), persons with line management responsibilities shall have access to staff records referred to in standing order 19(f).

20. RESPONSIBILITIES TO PROVIDE INFORMATION

See also standing order 21.

- a **In accordance with freedom of information legislation, the Council shall publish information in accordance with its publication scheme and respond to requests for information held by the Council.**
- b **The Council, shall publish information in accordance with the**

requirements of the Local Government (Transparency Requirements) (England) Regulations 2015.

21. RESPONSIBILITIES UNDER DATA PROTECTION LEGISLATION

(Below is not an exclusive list).

See also standing order 11.

- a The Council may appoint a Data Protection Officer.
- b **The Council shall have policies and procedures in place to respond to an individual exercising statutory rights concerning his/her/their personal data.**
- c **The Council shall have a written policy in place for responding to and managing a personal data breach.**
- d **The Council shall keep a record of all personal data breaches comprising the facts relating to the personal data breach, its effects and the remedial action taken.**
- e **The Council shall ensure that information communicated in its privacy notice(s) is in an easily accessible and available form and kept up to date.**
- f **The Council shall maintain a written record of its processing activities.**

22. RELATIONS WITH THE PRESS/MEDIA

- a Requests from the press or other media for an oral or written comment or statement from the Council, its councillors or staff shall be handled in accordance with the Council's policy in respect of dealing with the press and/or other media.

23. EXECUTION AND SEALING OF LEGAL DEEDS

See also standing orders 15(b)(xii) and (xvii).

- a A legal deed shall not be executed on behalf of the Council unless authorised by a resolution.
- b **Subject to standing order 23(a), the Council's common seal shall alone be used for sealing a deed required by law. It shall be applied by the Proper**

Officer in the presence of two councillors who shall sign the deed as witnesses.

24. COMMUNICATING WITH DISTRICT AND COUNTY OR UNITARY COUNCILLORS

- a An invitation to attend a meeting of the Council shall be sent, together with the agenda, to the ward councillor(s) of the District and County Council OR Unitary Council representing the area of the Council.
- b Unless the Council determines otherwise, a copy of each letter sent to the District and County Council OR Unitary Council shall be sent to the ward councillor(s) representing the area of the Council.

25. RESTRICTIONS ON COUNCILLOR ACTIVITIES

- a. Unless duly authorised no councillor shall:
 - i. inspect any land and/or premises which the Council has a right or duty to inspect; or
 - ii. issue orders, instructions or directions.

26. STANDING ORDERS GENERALLY

- a All or part of a standing order, except one that incorporates mandatory statutory or legal requirements, may be suspended by resolution in relation to the consideration of an item on the agenda for a meeting.
- b A motion to add to or vary or revoke one or more of the Council's standing orders, except one that incorporates mandatory statutory or legal requirements, shall be proposed by a special motion, the written notice by at least 5 councillors to be given to the Proper Officer in accordance with standing order 9.
- c The Proper Officer shall provide a copy of the Council's standing orders to a councillor as soon as possible.
- d The decision of the chair of a meeting as to the application of standing orders at the meeting shall be final.

FINANCIAL REGULATIONS

Updated on the 12 June 2023
Next review by 30 June 2024

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17. Suspension and revision of financial regulations

These Financial Regulations were **first** adopted by the Council at its Policy and Resources Meeting held on 26 September 2016 and are reviewed at least once a year.

1. GENERAL

- 1.1. These financial regulations govern the conduct of financial management by the Council and may only be amended or varied by resolution of the Council. Financial regulations are one of the Council's three governing policy documents providing procedural guidance for Members and officers. Financial regulations must be observed in conjunction with the Council's standing orders¹ and any individual financial regulations relating to contracts.
 - 1.2. The Council is responsible in law for ensuring that its financial management is adequate and effective, and that the Council has a sound system of internal control which facilitates the effective exercise of the Council's functions, including arrangements for the management of risk.
 - 1.3. The Council's accounting control systems must include measures:
 - for the timely production of accounts
 - that provide for the safe and efficient safeguarding of public money
 - to prevent and detect inaccuracy and fraud
 - identifying the duties of officers
 - 1.4. These financial regulations demonstrate how the Council meets these responsibilities and requirements.
 - 1.5. At least once a year, prior to approving the Annual Governance Statement, the Council must review the effectiveness of its system of internal control which shall be in accordance with proper practices.
 - 1.6. Deliberate or wilful breach of these Regulations by an employee may give rise to disciplinary proceedings.
 - 1.7. Members of Council are expected to follow the instructions within these Regulations and not to entice employees to breach them. Failure to follow instructions within these Regulations brings the office of Councillor into disrepute.
 - 1.8. The Responsible Financial Officer (RFO) holds a statutory office to be appointed by the Council. The [Head of Corporate Services](#) **CEO & Town Clerk** has been appointed as RFO for this Council and these regulations will apply accordingly.
 - 1.9. The RFO:
 - acts under the policy direction of the Council
 - administers the Council's financial affairs in accordance with all Acts, Regulations and proper practices
 - determines on behalf of the Council its accounting records and accounting control systems
 - ensures the accounting control systems are observed
 - maintains the accounting records of the Council up to date in accordance with proper practices
 - assists the Council to secure economy, efficiency, and effectiveness in the use of its resources
-

- produces financial management information as required by the Council
- 1.10. The accounting records determined by the RFO shall be sufficient to show and explain the Council's transactions and to enable the RFO to ensure that any income and expenditure account and statement of balances, or record of receipts and payments and additional information, as the case may be, or management information prepared for the Council from time to time comply with the Accounts and Audit Regulations².
- 1.11. The accounting records determined by the RFO shall in particular contain:
- entries from day to day of all sums of money received and expended by the Council and the matters to which the income and expenditure or receipts and payments account relate
 - a record of the assets and liabilities of the Council
 - wherever relevant, a record of the Council's income and expenditure in relation to claims made, or to be made, for any contribution, grant or subsidy
- 1.12. The accounting control systems determined by the RFO shall include:
- procedures to ensure that the financial transactions of the Council are recorded as soon as reasonably practicable and as accurately and reasonably as possible
 - procedures to enable the prevention and detection of inaccuracies and fraud and the ability to reconstruct any lost records
 - identification of the duties of officers dealing with financial transactions and division of responsibilities of those officers in relation to significant transactions
 - procedures to ensure that uncollectable amounts, including any bad debts are submitted to the Council for approval to be written off except with the approval of the RFO and that the approvals are shown in the accounting records
 - measures to ensure that risk is properly managed
- 1.13. The Council is not empowered by these Regulations or otherwise to delegate certain specified decisions. In particular any decision regarding:
- setting the final budget or the precept (Council tax requirement)
 - approving accounting statements
 - approving an annual governance statement
 - borrowing
 - writing off bad debts
 - declaring eligibility for the General Power of Competence
 - addressing recommendations in any report from the internal or external auditors shall be a matter for the full Council only
- 1.14. The Council must:
- determine and keep under regular review the bank mandate for all Council bank accounts
 - approve any grant or a single commitment in excess of £60,000
 - in respect of the annual salary for any employee have regard to recommendations about annual salaries of employees made by the relevant committee in accordance with its terms of reference
- 1.15. In these financial regulations, references to the Accounts and Audit Regulations or 'the regulations' shall mean the regulations issued under the provisions of section 27 of the Audit
-

Commission Act 1998, or any superseding legislation, and then in force unless otherwise specified.

- 1.16. In these financial regulations the term 'proper practice' or 'proper practices' shall refer to guidance issued in *Governance and Accountability for Local Councils - a Practitioners' Guide (England)* issued by the Joint Practitioners Advisory Group (JPAG), available from the websites of NALC and the Society for Local Council Clerks (SLCC).

2. ACCOUNTING AND AUDIT (INTERNAL AND EXTERNAL)

- 2.1. All accounting procedures and financial records of the Council shall be determined by the RFO in accordance with the Accounts and Audit Regulations, appropriate guidance and proper practices.
- 2.2. On a regular basis, at least once in each quarter, and at each financial year end, a Member other than the current mandated cheque signatories shall be appointed to verify bank reconciliations (for all accounts) produced by the RFO. The Member shall sign the reconciliations and the original bank statements (or similar document) as evidence of verification. This activity shall on conclusion be reported, including any exceptions, to and noted by the **Finance Corporate Services** Committee. This shall be the Deputy Chair of the **Finance Corporate Services** Committee
- 2.3. The RFO shall complete the annual statement of accounts, annual report, and any related documents of the Council contained in the Annual Return (as specified in proper practices) as soon as practicable after the end of the financial year and having certified the accounts shall submit them and report thereon to the Council within the timescales set by the Accounts and Audit Regulations.
- 2.4. The Council shall ensure that there is an adequate and effective system of internal audit of its accounting records, and of its system of internal control in accordance with proper practices. Any officer or Member of the Council shall make available such documents and records as appear to the Council to be necessary for the purpose of the audit and shall, as directed by the Council, supply the RFO, internal auditor, or external auditor with such information and explanation as the Council considers necessary for that purpose.
- 2.5. The internal auditor shall be appointed by and shall carry out the work in relation to internal controls required by the Council in accordance with proper practices.
- 2.6. The internal auditor shall:
- be competent and independent of the financial operations of the Council
 - report to Council in writing, or in person, on a regular basis with a minimum of one annual written report during each financial year
 - to demonstrate competence, objectivity, and independence, be free from any actual or perceived conflicts of interest, including those arising from family relationships
 - not be involved in the financial decision making, management or control of the Council
- 2.7. Internal or external auditors may not under any circumstances:
- perform any operational duties for the Council
 - initiate or approve accounting transactions
 - direct the activities of any Council employee, except to the extent that such employees have been appropriately assigned to assist the internal auditor

- 2.8. For the avoidance of doubt, in relation to internal audit the terms 'independent' and 'independence' shall have the same meaning as is described in proper practices.
- 2.9. The RFO shall make arrangements for the exercise of electors' rights in relation to the accounts including the opportunity to inspect the accounts, books, and vouchers and display or publish any notices and statements of account required by Audit Commission Act 1998, or any superseding legislation, and the Accounts and Audit Regulations.
- 2.10. The RFO shall, without undue delay, bring to the attention of all Councillors any correspondence or report from internal or external auditors.

3. ANNUAL ESTIMATES (BUDGET) AND FORWARD PLANNING

- 3.1. The RFO must each year, by no later than January, prepare detailed estimates of all receipts and payments including the use of reserves and all sources of funding for the following financial year in the form of a budget to be considered by the Finance Committee and the Council.
- 3.2. The Council shall consider annual budget proposals in relation to the Council's three year forecast of revenue and capital receipts and payments including recommendations for the use of reserves and sources of funding and update the forecast accordingly.
- 3.3. The Council shall fix the precept (Council tax requirement), and relevant basic amount of Council tax to be levied for the ensuing financial year not later than by the end of January each year. The RFO shall issue the precept to the billing authority and shall supply each Member with a copy of the approved annual budget.
- 3.4. The approved annual budget shall form the basis of financial control for the ensuing year.

4. BUDGETARY CONTROL AND AUTHORITY TO SPEND

- 4.1. Expenditure on revenue items may be authorised up to the amounts included for that class of expenditure in the approved budget. This authority is to be determined by:
 - the duly delegated committee of the Council for all items over £25,000, such authority is to be evidenced by a minute
 - the **CEO & Town Clerk RFO**, in consultation with the **Chairman** of the Council or **Chairman** of the appropriate Committee, for any items over **£5,000 £10,000** but below £25,000 such authority is to be evidenced by an authorisation email from the RFO, and where necessary also from the appropriate **Chairman**.
 - **The Senior Leadership Team in consultation with the CEO & Town Clerk for any item between £5,000 and £10,000**
 - An authorised Service Manager for any item below £5,000.

Contracts may not be disaggregated to avoid controls imposed by these regulations.

- 4.2. During the budget year and, having considered fully the implications for public services, unspent and available amounts may be moved to other budget headings or to an earmarked reserve as appropriate ('virement').
- 4.3. Unspent provisions in the revenue or capital budgets for completed projects shall not be carried forward to a subsequent year without prior approval from the relevant Committee or Council meeting.
- 4.4. The salary budgets are to be reviewed **at least** annually by the **Corporate Services Committee as part of the budget setting process** for the following financial year and the **agreement of the**

schedule of staffing payments shall be recorded in the minutes, such review shall be evidenced by a hard copy schedule signed by the RFO and the Chairman of Council or relevant committee. The RFO will inform the Corporate Services committees and Service Managers of any changes impacting on their budget requirement for the coming year in good time.

- 4.5. In cases of extreme risk to the delivery of Council services, the CEO & Town Clerk RFO may authorise revenue expenditure on behalf of the Council once they have consulted with the chair of the relevant committee and received confirmation from the Chair to proceed. ~~which in the RFO's judgement it is necessary to carry out.~~ Such expenditure includes repair, replacement, or other work, whether or not there is any budgetary provision for the expenditure, subject to a limit of ~~£10,000~~ £25,000. The RFO shall report such action to the ~~chairman or~~ appropriate Committee working group as soon as possible and to the Council as soon as practicable thereafter.
- 4.6. No expenditure shall be authorised in relation to any capital project and no contract entered into or tender accepted involving capital expenditure unless the Council is satisfied that the necessary funds are available and the requisite borrowing approval has been obtained.
- 4.7. All capital works shall be administered in accordance with the Council's standing orders and financial regulations relating to contracts.
- 4.8. The RFO shall regularly provide the Council with a financial report which shall include a statement of receipts and payments. These shall be prepared at least ~~of~~ each financial quarter and shall provide explanations of material variances.
- 4.9. Changes in earmarked reserves shall be approved by Council as part of the budgetary control process.

5. BANKING ARRANGEMENTS AND AUTHORISATION OF PAYMENTS

- 5.1. The Council's banking arrangements, including the bank mandate, shall be made by the RFO and approved by the Council; banking arrangements may not be delegated to a committee. They shall be regularly reviewed for safety and efficiency.
- 5.2. The RFO shall prepare a schedule of payments requiring ratification, forming part of the Agenda for the Council Meeting including the details of any petty cash or card payment over £500. The Council shall review the schedule for compliance and, having satisfied itself shall authorise payment by a resolution of the Council. A detailed list of all payments shall be disclosed within or as an attachment to the minutes of the meeting at which payment was authorised. Personal payments (including salaries, wages, expenses and any payment made in relation to the termination of a contract of employment) may be summarised to remove public access to any personal information.
- 5.3. All invoices for payment shall be examined, verified and certified by the Service Manager ~~Head of Service or Deputy~~ to confirm that the work, goods or services to which each invoice relates has been received, carried out, examined and represents expenditure previously approved by the Council.
- 5.4. The authorised Service Manager ~~Head of Service or Deputy~~ shall examine invoices for arithmetical accuracy and analyse them to the appropriate expenditure heading. The RFO shall take all steps to pay all invoices submitted within 30 days.
- 5.5. In respect of grants a duly authorised committee shall approve expenditure within any limits set by Council and in accordance with any policy statement approved by Council. Any Revenue or

Capital Grant in excess of £60,000 shall before payment, be subject to ratification by resolution of the Council.

- 5.6. Members are subject to the Code of Conduct that has been adopted by the Council and shall comply with the Code and Standing Orders when a decision to authorise or instruct payment is made in respect of a matter in which they have a disclosable pecuniary or other interest, unless a dispensation has been granted.
- 5.7. The Council will aim to rotate the duties of Members in these Regulations so that onerous duties are shared out as evenly as possible over time.
- 5.8. Any changes in the recorded details of suppliers, such as bank account records, shall be approved in writing by the RFO.

6. INSTRUCTIONS FOR THE MAKING OF PAYMENTS

- 6.1. The Council will make safe and efficient arrangements for the making of its payments.
- 6.2. All payments shall be effected by cheque or other instructions to the Council's bankers, or otherwise, in accordance with a resolution of the Council.
- 6.3. BACS, cheques or orders for payment drawn on the bank account in accordance with the schedule as presented to Council or committee shall be signed in accordance with the bank mandate. A Member who is a bank signatory, having a connection by virtue of family or business relationships with the beneficiary of a payment, should not, under normal circumstances, be a signatory to the payment in question. Authorised persons to sign payments as follows:
 - One Councillor, either the Town Mayor, Deputy Town Mayor or Chairman of Corporate Services Finance Committee, ~~Vice Chairman of the Corporate Services Finance Committee~~ or ~~Chairman of the Community, Assets, Recreation and Environment Committee~~ together with one officer either the CEO & Town Clerk ~~Proper Officer or Responsible Finance~~ or the Head of Corporate Services
- 6.4. To indicate agreement of the details shown on the cheque or order for payment with the counterfoil and the invoice or similar documentation, the signatories shall each also sign the payment schedule.
- 6.5. If thought appropriate by the Council, payment for utility supplies (energy, telephone and water) and any National Non-Domestic Rates may be made by variable direct debit provided that the instructions are signed by two Members and any payments are reported to Council as made. The approval of the use of a variable direct debit shall be renewed by resolution of the Council at least every two years.
- 6.6. If thought appropriate by the Council, payment for certain items may be made by BACS or CHAPS methods provided that the instructions for each payment are signed, or otherwise evidenced, in accordance with the Council's Bank Mandate.
- 6.7. If thought appropriate by the Council, payment for certain items may be made by internet banking transfer provided evidence is retained showing which Members approved the payment.
- 6.8. Where a computer requires use of a Personal Identification Numbers (PINs) or other password(s) for access to the Council's records on that computer, the user must keep this information secure and not share with anyone, either verbally or in writing.

- 6.9. Regular back-up copies of the records on any computer shall be made and shall be stored securely away from the computer in question, and preferably off site.
- 6.10. The Council, and any Members using computers for the Council's financial business, shall ensure that anti-virus, anti-spyware and firewall, software with automatic updates, together with a high level of security, is used.
- 6.11. Where internet banking arrangements are made with any bank, the Proper Officer or RFO shall be appointed as the Service Administrator. The bank mandate approved by the Council shall identify a number of Councillors who will be authorised to approve transactions on those accounts. All payments should be authorised by the Service Administrator and a Councillor.
- 6.12. Access to any internet banking accounts will be directly to the access page (which may be saved under "favourites"), and not through a search engine or e-mail link. Remembered or saved passwords facilities must not be used on any computer used for Council banking work. Breach of this Regulation will be treated as a very serious matter under these regulations.
- 6.13. Changes to account details for suppliers, which are used for internet banking may only be changed on written hard copy notification by the supplier and supported by hard copy authority for change signed by the Responsible Finance Officer and a Member. A programme of regular checks of standing data with suppliers will be followed.
- 6.14. Any corporate credit card or trade card account opened by the Council will be specifically restricted to use by **Service Managers** ~~Section Heads~~ only and shall be subject to automatic payment in full at each month-end. Personal credit or debit cards of Members or staff shall not be used under any circumstances.
- 6.15. The RFO may provide petty cash to **Service Managers** ~~Section Heads~~ for the purpose of defraying operational and other expenses. Vouchers for payments made shall be forwarded to the RFO with a claim for reimbursement.
- a) The **Service Managers** ~~Section Heads~~ shall maintain a petty cash float of a valued deemed necessary for operational needs and this amount will be signed for by the **Service Managers** to confirm receipt. ~~of up to £500 for the purpose of defraying operational and other expenses.~~ Vouchers for payments made from petty cash shall be kept to substantiate the payment.
 - b) Income received must not be paid into the petty cash float but must be separately banked, as provided elsewhere in these regulations.
 - c) Payments to maintain the petty cash float shall be shown separately on the schedule of payments presented to Council under 5.2 above.

7. PAYMENT OF SALARIES

- 7.1. As an employer, the Council shall make arrangements to meet fully the statutory requirements placed on all employers by PAYE and National Insurance legislation. The payment of all salaries shall be made in accordance with payroll records and the rules of PAYE and National Insurance currently operating, and salary rates shall be as agreed by Council, or duly delegated committee.
- 7.2. Payment of salaries and payment of deductions from salary such as may be required to be made for tax, national insurance and pension contributions, or similar statutory or discretionary deductions must be made in accordance with the payroll records and on the appropriate dates stipulated in employment contracts, provided that each payment is reported to the next available Council meeting, as set out in these regulations above.

- 7.3. No changes shall be made to any employee's pay, emoluments, or terms and conditions of employment without the prior consent of the **Corporate Services Staffing Committee** ~~and Finance Committee, in exceptional circumstances.~~
- 7.4. Each and every payment to employees of net salary and to the appropriate creditor of the statutory and discretionary deductions shall be recorded in a confidential record. This confidential record is not open to inspection or review (under the Freedom of Information Act 2000 or otherwise) other than:
- a) by any Councillor who can demonstrate a need to know
 - b) by the internal auditor
 - c) by the external auditor
 - d) by any person authorised under Audit Commission Act 1998, or any superseding legislation
- 7.5. The total of such payments in each calendar month shall be reported with all other payments as made as may be required under these Financial Regulations, to ensure that only payments due for the period have actually been paid.
- 7.6. Any termination payments shall be supported by a clear business case and reported to the Council. Termination payments shall only be authorised by Council.
- 7.7. Before employing interim staff, the **Corporate Services Staffing Committee** ~~and/or delegated Working Group~~ must consider a full business case.

8. LOANS AND INVESTMENTS

- 8.1. All borrowings shall be effected in the name of the Council, after obtaining any necessary borrowing approval. Any application for borrowing approval shall be approved by Council as to terms and purpose. The application for borrowing approval, and subsequent arrangements for the loan shall only be approved by full Council.
- 8.2. Any financial arrangement which does not require formal borrowing approval from the Secretary of State (such as Hire Purchase or Leasing of tangible assets) shall be subject to approval by the full Council. In each case a report in writing shall be provided to Council in respect of value for money for the proposed transaction.
- 8.3. All loans and investments shall be negotiated in the name of the Council and shall be for a set period in accordance with Council policy.
- 8.4. The Council shall consider the need for an Investment Strategy and Policy which, if drawn up, shall be in accordance with relevant regulations, proper practices and guidance. Any Strategy and Policy shall be reviewed by the Council at least annually.
- 8.5. All investments of money under the control of the Council shall be in the name of the Council.
- 8.6. All investment certificates and other documents relating thereto shall be retained in the custody of the RFO.
- 8.7. Payments in respect of short term or long term investments, including transfers between bank accounts held in the same bank, or branch, shall be made in accordance with Regulation 5 (Authorisation of payments) and Regulation 6 (Instructions for payments).

9. INCOME

- 9.1. The collection of all sums due to the Council shall be the responsibility of and under the supervision of the RFO.
- 9.2. The Council will review all fees and charges at least annually, following a report of the RFO.
- 9.3. Any sums found to be irrecoverable, and any bad debts shall be reported to the Council and shall be written off in the year.
- 9.4. All sums received on behalf of the Council shall be banked intact as directed by the RFO. In all cases, all receipts shall be deposited with the Council's bankers with such frequency as the RFO considers necessary.
- 9.5. The origin of each receipt shall be entered on the paying-in slip.
- 9.6. Personal cheques shall not be cashed out of money held on behalf of the Council.
- 9.7. The RFO shall promptly complete any VAT Return that is required. Any repayment claim due in accordance with VAT Act 1994 section 33 shall be made at least annually coinciding with the financial year end.
- 9.8. Where any significant sums of cash are regularly received by the Council, the RFO shall take such steps as are agreed by the Council to ensure that more than one person is present when the cash is counted in the first instance, that there is a reconciliation to some form of control such as ticket issues, and that appropriate care is taken in the security and safety of individuals banking such cash.

10. ORDERS FOR WORK, GOODS AND SERVICES

- 10.1. An official order or letter shall be issued for all work, goods and services unless a formal contract is to be prepared or an official order would be inappropriate. Copies of orders shall be retained in accordance with the Council's adopted 'Record Retention' policy.
- 10.2. Order books shall be controlled by the RFO.
- 10.3. All Members and officers are responsible for obtaining value for money at all times. An officer issuing an official order shall ensure as far as reasonable and practicable that the best available terms are obtained in respect of each transaction, usually by obtaining three or more quotations or estimates from appropriate suppliers, subject to any *de minimis* provisions in Regulation 11.1 below.
- 10.4. A Member may not issue an official order or make any contract on behalf of the Council.

11. CONTRACTS

- 11.1. Procedures as to contracts are laid down as follows:
 - a. Every contract shall comply with these financial regulations, and no exceptions shall be made otherwise than in an emergency provided that this regulation need not apply to contracts which relate to items (i) to (vi) below:
 - i. for the supply of gas, electricity, water, sewerage and telephone services
 - ii. for specialist services such as are provided by solicitors, accountants, surveyors and planning consultants

- iii. for work to be executed or goods or materials to be supplied which consist of repairs to or parts for existing machinery or equipment or plant
 - iv. for work to be executed or goods or materials to be supplied which constitute an extension of an existing contract by the Council
 - v. for additional audit work of the external auditor up to an estimated value of £500 (in excess of this sum the Proper Officer and RFO shall act after consultation with the Chairman and Vice Chairman of Council)
 - vi. for goods or materials proposed to be purchased which are proprietary articles and / or are only sold at a fixed price.
- b. Where the Council intends to procure or award a public supply contract, public service contract or public works contract as defined by The Public Contracts Regulations 2015 (“the Regulations”) which is valued at £25,000 or more and/or the Utility Contracts Regulations 2016, the Council shall comply with the relevant requirements of the Regulations.
 - c. The full requirements of The Regulations, as applicable, shall be followed in respect of the tendering and award of a public supply contract, public service contract or public works contract which exceed thresholds in the Regulations set by the Public Contracts Directive 2014/24/EU (which may change from time to time).
 - d. When applications are made to waive financial regulations relating to contracts to enable a price to be negotiated without competition the reason shall be embodied in a recommendation to the Council.
 - e. Such invitation to tender shall state the general nature of the intended contract and the RFO shall obtain the necessary technical assistance to prepare a specification in appropriate cases. The invitation shall in addition state that tenders must be addressed to the RFO in the ordinary course of post. Each tendering firm shall be supplied with a specifically marked envelope in which the tender is to be sealed and remain sealed until the prescribed date for opening tenders for that contract. For online submissions, each tendering firm can upload their tender on to the specified secure portal.
 - f. All sealed tenders shall be opened at the same time on the prescribed date by the RFO in the presence of at least one Member of Council. All online tenders should also be reviewed at the same time.
 - g. Any invitation to tender issued under this regulation shall be subject to any relevant Standing Order and shall refer to the terms of the Bribery Act 2010.
 - h. When it is to enter a contract of less than £25,000 but above £5,000 in value for the supply of goods or materials or for the execution of works or specialist services other than such goods, materials, works or specialist services as are excepted as set out in paragraph (a), the RFO shall obtain 3 quotations. When below £5,000, one quote shall be sought at the RFO’s discretion. Otherwise, Regulation 10 (3) above shall apply.
 - i. The Council shall not be obliged to accept the lowest or any tender, quote or estimate.
 - j. Should it occur that the Council, or duly delegated Committee/working group, does not accept any tender, quote or estimate, the work is not allocated and the Council requires further pricing, provided that the specification does not change, no person shall be permitted to submit a later tender, estimate or quote who was present when the original decision-making process was being undertaken.

12. PAYMENTS UNDER CONTRACTS FOR BUILDING OR OTHER CONSTRUCTION WORKS

- 12.1. Payments on account of the contract sum shall be made within the time specified in the contract by the RFO upon authorised certificates of the architect or other consultants engaged to supervise the contract (subject to any percentage withholding as may be agreed in the particular contract).
- 12.2. Where contracts provide for payment by instalments the RFO shall maintain a record of all such payments. In any case where it is estimated that the total cost of work carried out under a contract, excluding agreed variations, will exceed the contract sum of 5% or more a report shall be submitted to the council.

- 12.3. Any variation to a contract or addition to or omission from a contract must be approved by the council and Clerk to the contractor in writing, the council being informed where the final cost is likely to exceed the financial provision.

13. STORES AND EQUIPMENT

- 13.1. The officer in charge of each section shall be responsible for the care and custody of stores and equipment in that section.
- 13.2. Delivery notes shall be obtained in respect of all goods received into store or otherwise delivered and goods must be checked as to order and quality at the time delivery is made.
- 13.3. Stocks shall be kept at the minimum levels consistent with operational requirements.
- 13.4. The RFO shall be responsible for periodic checks of stocks and stores at least annually.

14. ASSETS, PROPERTIES AND ESTATES

- 14.1. The RFO shall make appropriate arrangements for the custody of all title deeds and Land Registry Certificates of properties held by the Council. The RFO shall ensure a record is maintained of all properties held by the Council, recording the location, extent, plan, reference, purchase details, nature of the interest, tenancies granted, rents payable and purpose for which held in accordance with Accounts and Audit Regulations.
- 14.2. No tangible moveable property shall be purchased or otherwise acquired, sold, leased or otherwise disposed of, without the authority of the Council, together with any other consents required by law, save where the estimated value of any one item of tangible movable property does not exceed £5,000.
- 14.3. No real property (interests in land) shall be sold, leased or otherwise disposed of without the authority of the Council, together with any other consents required by law, In each case a report in writing shall be provided to Council in respect of valuation and surveyed condition of the property (including matters such as planning permissions and covenants) together with a proper business case (including an adequate level of consultation with the electorate).
- 14.4. No real property (interests in land) shall be purchased or acquired without the authority of the full Council. In each case a report in writing shall be provided to Council in respect of valuation and surveyed condition of the property (including matters such as planning permissions and covenants) together with a proper business case (including an adequate level of consultation with the electorate).
- 14.5. Subject only to the limit set in Reg. 12.2 above, no tangible moveable property shall be purchased or acquired without the authority of the full Council. In each case a report in writing shall be provided to Council with a full business case.
- 14.6. The RFO shall ensure that an appropriate and accurate Register of Assets and Investments is kept up to date. The continued existence of tangible assets shown in the Register shall be verified at least annually, possibly in conjunction with a health and safety inspection of assets.

15. INSURANCE

- 15.1. Following the annual risk assessment (per Financial Regulation 17), the RFO shall affect all insurances and negotiate all claims on the Council's insurers.

- 15.2. The RFO shall keep a record of all insurances effected by the Council and the property and risks covered thereby and annually review it.
- 15.3. The RFO shall be notified of any loss liability or damage or of any event likely to lead to a claim and shall report these to Council at the next available meeting.
- 15.4. All appropriate Members and employees of the Council shall be included in a suitable form of security or fidelity guarantee insurance which shall cover the maximum risk exposure as determined by the Council, or duly delegated Committee/working group.

16. RISK MANAGEMENT

- 16.1. The Council is responsible for putting in place arrangements for the management of risk. The RFO shall prepare, for approval by the Council, risk management policy statements in respect of all activities of the Council. Risk policy statements and consequential risk management arrangements shall be reviewed by the Council at least annually.
- 16.2. When considering any new activity, the RFO shall prepare a draft risk assessment including risk management proposals for consideration and adoption by the Council.

17. SUSPENSION AND REVISION OF FINANCIAL REGULATIONS

- 17.1. It shall be the duty of the Council to review the Financial Regulations of the Council from time to time. The RFO shall make arrangements to monitor changes in legislation or proper practices and shall advise the Council of any requirement for a consequential amendment to these financial regulations.
- 17.2. The Council may, by resolution of the Council duly notified prior to the relevant meeting of Council, suspend any part of these Financial Regulations provided that reasons for the suspension are recorded and that an assessment of the risks arising has been drawn up and presented in advance to all Members of Council.

~~**18. OPENNESS OF LOCAL BODIES REGULATIONS 2014**~~

- ~~18.1 The value that is deemed to 'materially' affect the Council under the Openness of Local Bodies Regulations 2014 and therefore, when exceeded, would require any decisions made by officers under their delegated powers to be recorded (this recording to include the decision taken, and the date the decision was made, the reasons for the decision, any alternative options considered and rejected and any other background documents) be set at £8,000.~~

TREASURY MANAGEMENT PLAN (TMP)

Updated on the 17 April 2023
Next review by 30 April 2024

1. INTRODUCTION

- 1.1 The Treasury Management Plan (including the Investment Strategy TMP14) was adopted at a meeting of the Finance Working Group on 21 April 2016 and is to be reviewed annually by the ~~Finance Committee~~ **Corporate Services Committee** before 1 April each year.
- 1.2 Chesham Town Council (the Council) defines its treasury management activities as: The management of the organisation's cash flows, its banking, money market and capital market transactions, the effective control of the risks associated with those activities; and the pursuit of optimum performance consistent with those risks.
- 1.3 The Council regards the successful identification, monitoring and control of risk to be the prime criteria by which the effectiveness of its treasury management activities will be measured. Accordingly, the analysis and reporting of treasury management activities will focus on their risk implications for the organisation.
- 1.4 The Council acknowledges that effective treasury management will provide support towards the achievement of its business and service objectives. It is therefore committed to the principles of achieving best value in treasury management, and to employing suitable performance measurement techniques.

2. RISK MANAGEMENT (TMP2)

- 2.1 The Responsible Finance Officer (RFO) will design, implement and monitor all arrangements for the identification, management and control of treasury management risk. The RFO will report annually on treasury management risk in accordance with the procedures set out in TMP6 (Reporting requirements and management information arrangements).
- 2.2 To ensure compliance the following risks are to be considered:
 - (1) **Liquidity risk management** - the Council will ensure it has adequate though not excessive cash resources, borrowing arrangements, overdraft or standby facilities to enable it at all times to have the level of funds available to it which are necessary for the achievement of its business/service objectives.
 - (2) **Interest rate risk management** – the Council will consider short, medium and long term investments/borrowings, together with interest rates (both fixed and variable) and their proportions.
 - (3) **Inflation risk management** – the Council will manage the effects of varying levels of inflation, insofar as they can be identified as impacting directly on its treasury management activities, will be controlled by the organisation as an integral part of its strategy for managing its overall exposure to inflation. It will achieve these objectives by prudent use of its approved financing and investment instruments, methods and techniques, primarily to create stability and certainty of costs and revenues, but at the same time retaining a sufficient degree of flexibility to take advantage of unexpected, potentially advantageous changes in the level or structure of interest rates, exchange rates or inflation. The above

subject at all times to the consideration and, if required, approval of any policy or budgetary implications.

- (4) Investment risk management** – the Council regards a prime objective of its treasury management activities to be the security of the principal sums it invests. Accordingly, it will ensure that its limits reflect a prudent attitude towards organisations with whom funds may be deposited, and will limit its investment activities to the instruments, methods and techniques referred to in TMP4 (Approved instruments, methods and techniques).
- (5) Refinancing risk management** – the Council will ensure that its borrowing, private financing and partnership arrangements are negotiated, structured and documented, and the maturity profile of the monies so raised are managed, with a view to obtaining terms for renewal or refinancing which are competitive and as favourable to the organisation as can reasonably be achieved in the light of market conditions prevailing at the time. It will actively manage its relationship with its counterparties in these transactions in such a manner as to secure this objective, and will avoid over reliance on any one source of funding if this might jeopardise achievement of the above.
- (6) Legal and regulatory risk management** – the Council will ensure that all of its treasury management activities comply with its statutory powers and regulatory requirements. It will demonstrate such compliance to all parties with whom it deals in such activities. The Council recognises that future legislative or regulatory changes may impact on its treasury management activities and, so far as it is reasonably able to do so, will seek to minimise the risk of these impacting adversely on the organisation.
- (7) Fraud, error and corruption, and contingency management** – the Council will ensure that it has identified the circumstances which may expose it to the risk of loss through fraud, error, corruption or other eventualities in its treasury management dealings. Accordingly, it will employ suitable systems and procedures, and will maintain effective contingency management arrangements, to these ends.
- (8) Market risk management** – the Council will seek to ensure that its stated treasury management policies and objectives will not be compromised by adverse market fluctuations in the value of the principal sums it invests, and will accordingly seek to protect itself from the effects of such fluctuations.”

3. BEST VALUE AND PERFORMANCE MEASUREMENT (TMP3)

- 3.1 The Council is committed to the pursuit of best value in its treasury management activities, and to the use of performance methodology in support of that aim. Accordingly, the treasury management function will be the subject of ongoing analysis of the value it adds in support of the organisation’s stated business or service objectives. It will be the subject of regular examination methods of service delivery, of the availability of fiscal or other grant or subsidy incentives, and of the scope for other potential improvements.

4. DECISION-MAKING AND ANALYSIS (TMP4)

- 4.1 The Council will maintain full records of its treasury management decisions, and the processes applied in reaching those decisions, both for the purpose of learning from the past, and for demonstrating that reasonable steps were taken to ensure that all issues relevant to those decisions were considered at the time.

5. APPROVED INSTRUMENTS, METHODS AND TECHNIQUES (TMP5)

- 5.1 The Council will undertake its treasury management activities by employing only those instruments, methods and within the limits and parameters defined in TMP1 (Risk Management).

6. CLARITY AND SEGREGATION OF RESPONSIBILITIES (TMP6)

- 6.1 The Council considers it essential that its treasury management activities are structured and managed in a fully integrated manner, and that there is at all times a clarity of treasury management responsibilities. The principle on which this will be based is a clear distinction between those charged with setting treasury management policies and those charged with implementing and controlling these policies, particularly with regard to the execution and transmission of funds, the recording and administering of treasury management decisions, and the audit and review of the treasury management function.
- 6.2 If and when this Council intends, as a result of lack of resources or other circumstances, to depart from these principles, the RFO will ensure that the reasons are properly reported in accordance with TMP6 (Reporting requirements and management information arrangements), and the implications properly considered and evaluated.
- 6.3 The RFO will ensure there are clear written statements of the responsibilities for each post engaged in treasure management, and the arrangements for absence cover.
- 6.4 The RFO will ensure there is proper documentation for all deals and transactions, and that procedures exist for the effective transmission of funds.
- 6.5 The RFO will fulfil all such responsibilities in accordance with the Treasury Management Plan and if a CIPFA member, the Standard of Professional Practice on Treasury Management.

7. REPORTING AND MANAGEMENT INFORMATION ARRANGEMENTS (TMP7)

- 7.1 The RFO will ensure that at each **Finance Corporate Services** Committee meeting a report is prepared on the:
- Year-end forecast position
 - Budget changes resulting from regulatory, economic, market or other factors
 - Decisions taken and their effect on reserves
 - Investment performance
- 7.2 The RFO will ensure the **Finance Corporate Services** Committee will receive an annual treasury management report at the first meeting each financial year covering:
- Year-end accounting position
 - Investment performance and any change recommendations
 - Borrowing levels and any change recommendations
 - A list of non-compliance against the treasury management plan
 - A finance risk register

8. BUDGETING, ACCOUNTING AND AUDIT ARRANGEMENTS (TMP8)

- 8.1 The RFO will prepare an annual budget for the Council to consider and approve. The matters to be included in the budget will be those required by statute or regulation, together with such information as will demonstrate compliance with TMP1 Risk Management, TMP2 Best value and performance measurement, and TMP4 Approved instruments, methods and techniques.

- 8.2 The RFO will exercise effective controls over this budget, and will report upon and recommend any changes required in accordance with TMP6 Reporting and management information arrangements.
- 8.3 The Council will account for its treasury management activities, for decisions made and transactions executed, in accordance with appropriate accounting practices and standards, and with statutory and regulatory requirements in force for the time being.
- 8.4 The Council will ensure that its auditors, and those charged with regulatory review, have access to all information and papers supporting the activities of the treasury management function as are necessary for the proper fulfilment of their roles, and that such information and papers demonstrate compliance with external and internal policies and approved practices.

9. CASH AND CASH FLOW MANAGEMENT (TMP9)

- 9.1 Unless statutory or regulatory requirements demand otherwise, all monies in the hands of the Council will be under the control of the RFO, and will be aggregated for cash flow and investment management purposes. Cash flow projections will be prepared on a monthly basis, and the RFO will ensure that these are adequate for the purposes of monitoring compliance.

10. MONEY LAUNDERING (TMP10)

- 10.1 The Council is alert to the possibility that it may become the subject of an attempt to involve it in a transaction involving the laundering of money. Accordingly, it will maintain procedures for verifying and recording the identity of counterparties and reporting suspicions.

11. STAFF TRAINING AND QUALIFICATIONS (TMP11)

- 11.1 The Council recognises the importance of ensuring that all staff involved in the treasury management function are fully equipped to undertake the duties and responsibilities allocated to them. It will therefore seek to appoint individuals who are both capable and experienced and will provide training for staff to enable them to acquire and maintain an appropriate level of expertise, knowledge and skills. The RFO will recommend and implement the necessary arrangements.

12. USE OF EXTERNAL SERVICE PROVIDERS (TMP12)

- 12.1 The Council recognises the value of employing external providers of treasury management services. When it employs such service providers, it will ensure a full evaluation of costs and benefits have been undertaken. It will also ensure that the terms of their appointment and the methods by which their value was assessed are properly agreed and documented. Where services are subject to formal tender or re-tender arrangements, legislative requirements will always be observed. The monitoring of such arrangements rests with the RFO.

13. CORPORATE GOVERNANCE (TMP13)

- 13.1 The Council is committed to the pursuit of proper corporate governance throughout its businesses and services, and to establishing the practices by which this can be achieved. Accordingly, the treasury management function and its activities will be undertaken with openness and transparency, honesty, integrity and accountability.

13.2 This Council has adopted the key recommendations of the Treasury Management in the Public Services Code of Practice. This is considered vital to the achievement of proper corporate governance in treasury management, and the RFO will monitor and report upon the effectiveness of these arrangements.

14.1 **ANNUAL INVESTMENT STRATEGY (TMP14)**

14.1 The **Annual** Investment Strategy states which investments the Council may use for prudent management of its treasury balances **during the financial year**.

14.2 The Council's investment objectives are:

- a) this Council is more concerned to avoid risks than to maximise returns.
- b) all investments will be in sterling.
- c) make the most of its treasury balances by placing in suitable interest accounts.
- d) investments can be brought back to the Councils current account in a suitable timeframe
- e) security of its investments.
- f) liquidity of its investments.
- g) investments should have a period to maturity of no more than 12 months.
- h) Investments should be made with a body or in an investment scheme which has been awarded a high credit quality (see below) or is made with the UK Government or Local Authority.

14.3 The Council shall only invest with banks, building societies, or funds which have a high credit rating, i.e. those with a rating of A- and above (Standard & Poor, and Fitch) and A3 and above (Moody's).

14.4 The Council notes that it is not an eligible body for the purposes of the Financial Services Compensation Scheme.

14.5 The ODPM maintains that the borrowing of monies purely to invest or to lend and make a return is unlawful and this Council will not engage in such activity.

14.6 Before committing any investment the Council will take into consideration its current level of balances, estimated levels of future balances, the current interest rate, market forecasts; the need for liquidity, its spending commitments and provision for contingencies. ~~In order to maintain sufficient security and liquidity the Council will manage any surplus funds through the major High Street banks and building societies which provide a secure high yield rate of interest.~~

14.7 The **Finance Corporate Services** Committee is delegated to deal with any future reviews and investment issues, including the receiving of any company presentations. The **Finance Corporate Services** Committee will consider both short and long term investments in order to achieve an optimum return. During the budget process the RFO will report on investment received and forecasts to the **Finance Corporate Services** Committee.

14.8 The Council will open a CCLA Public Sector Deposit Fund (PSDF) account to maximise on any surplus funds for the benefit of the Council.

RESERVES POLICY

Updated on the 16 January 2023
Next review by the 31 January 2024

Introduction

- 1.1 Chesham Town Council (the Council) is required by statute to maintain financial reserves sufficient to meet the needs of the organisation and in addition has statutory limitations on how it spends certain receipts, which it must ensure are accounted for separately to the Council's general funds. The reserves held by the Council are used to manage this risk and ensure funds are available to discharge the council's obligations to staff and suppliers.
- 1.2 Whilst there is no statutory minimum (or maximum) level of reserves, the Council has no power to hold revenue reserves other than those for reasonable working capital needs or specific earmarked purposes. Whenever the Council's year-end general reserve is higher than the annual precept, an explanation should be provided to the auditor.
- 1.3 The Joint Panel on Accountability and Governance (JPAG) Practitioners' Guide, which sets out the 'proper practices' for how the Council must maintain its accounts, recommends that the minimum level of general reserves should be between three and twelve months of **net revenue expenditure (NRE)**. NRE is the difference between the Council's budgeted total operating income from fees/charges and total expenditure. For an authority of this Council's size, it states that the lower end (three months, or 25%) is appropriate. The amount of general reserve should be risk assessed and approved by the Council.
- 1.4 Earmarked reserves, which are set aside for specific purposes or projects, should be realistic and approved by the Council. Council should be carefully not to hold funds in reserves for a project for too many years, without any realistic chance of progressing swiftly.
- 1.5 The Responsible Financial Officer (RFO) will advise the Finance Committee on the level of reserves, at each committee meeting. The Finance Committee will be responsible for reviewing the reserves as presented by the RFO. The Council's internal and external auditors will review the Council's reserves and their justification annually.
- 1.6 This policy sets out the level of reserves the Council shall hold in general reserve and earmarked reserve and will explain why this is. The Council will review this policy as part of the budget setting process each year. This policy will need to be approved at Council each January, at the same time as the precept is agreed.

General Reserve

- 2.1 The general reserve is not ringfenced (earmarked) for any specific expenditure. Its purpose is to smooth the impact of uneven cashflow or cover unexpected and emergency expenditure. It is not intended to fund on-going expenditure. The general reserve will be replenished as part of the budget process for the next financial year, where it has been utilised for unexpected and emergency expenditure purposes in a given year. The Council will hold a general reserve of at least 25% of NRE but no more than 50% of NRE.
- 2.2 Any surplus budget at the end of a financial year shall be transferred to the general fund, unless agreed otherwise by the Council, to be placed in an earmarked reserve for an individual project.

Earmarked Reserves

3.1 The Council shall also retain a series of earmarked reserves **budgets** for specific future projects. The amount committed to each **budget reserve** will be confirmed annually during the budget setting cycle, following scrutiny by the appropriate Committee and confirmed by Council at its January precept setting meeting.

3.2 The specific earmarked reserve **budgets** the Council should consider **are is** as follows:

a) ~~Capital Receipt Reserve~~

~~Capital receipts are subject to statutory restrictions requiring they only be used for capital expenditure. In accordance with financial regulations the Council will hold a capital receipts reserve to ensure capital receipts are separately accounted for. When a call on this reserve is made for a capital project, this shall be discussed with the Council accountant, and then agreed by Council.~~

b) A Reserve for an Individual Project

The Council shall identify a list of individual projects it will undertake. Where required an earmarked reserve will be created for these projects. It is important that any reserve created is likely to be required in the **near** future. The ear marked reserve shall be created from the precept or from existing general reserves.

c) ~~CIL Receipts Reserve~~

~~CIL Receipts are subject to statutory restrictions requiring they only be used for certain kinds of expenditure. In accordance with financial regulations the Council will hold a CIL Receipts Reserve to ensure CIL receipts are separately accounted for.~~

Ring Fenced Reserves

3.3 The Council may also hold amounts set aside for a specific purpose, where the Council has no discretion as to how they are spent. These with broadly fall into three categories:

a) Income from capital disposals

Where the Council receives money from the sale of an asset, this money must be set aside and used only for capital rather than revenue expenditure. Any spend from this reserve must be agreed by Council.

b) Community Infrastructure Levy

CIL receipts are subject to statutory restrictions requiring they only be used for certain kinds of expenditure. In accordance with financial regulations the Council will hold a CIL Receipts Reserve to ensure CIL receipts are separately accounted for.

c) Grants, loans, and s106 contributions.

Where the Council receives such funding, there will usually be a contractual obligation for the spend.

Other Reserves Budgets

4.1 ~~Capital Financing Account Reserve~~

~~This account represents revenue and capital resources applied to finance capital expenditure or for the repayment of external loans. It also includes the reversal of depreciation to ensure it does not impact upon the amount to be met from precept. It does not represent a reserve that the Council can use to support future expenditure.~~

4.2 Revaluation Reserve

~~This reserve recognises the change in the value of fixed assets held on the balance sheet since recognition of the asset. This account does not represent funds that can be expended by the Council, but does show the change in the value of fixed assets held.~~

AGENDA ITEM NO 12: Freidrichsdorf Corner

Reporting Officer:

Name: Louise Hayday

Title: CEO/Town Clerk

Contact No:01494 774842

Email: louise.hayday@chesham.gov.uk

Purpose of Report

1. To explore a resident request to purchase a piece of council owned land.

Background Information

2. A solicitor acting on behalf a local Chesham resident have contacted the Town Council to express interest in purchasing the land marked in blue on the accompanying map, from Chesham Town Council who own the land.

Findings

3. The land was gifted to Chesham Urban District Council in 1967 with a restrictive covenant attached that contains a provision as to light or air
Right of Light and Air: means the right for a person to ensure that they preserve the provision of light and air by prohibiting building or block out within a specified area on adjoining land.
4. The land edged in blue on the plan also includes a 'subjective right of drainage' agreed between Buckinghamshire County Council and Chesham Urban District Council.
This means that a neighbouring property has the right to use any pipes and drains on the property for the flow of water and drainage, and it also allows water that flows across your land to flow downhill naturally to your neighbour's land. However, you are not allowed to artificially channel water in a way that will cause damage your neighbour's land.
5. The total area of land (pink + blue) on the map was stated to be over £1,000,000 on 20th August 2009.
6. Legal:
Capital received for the disposal of land by a local council must be applied as the Secretary of State may consent, towards the discharge of any debt of the Council or for any lawful capital purpose¹ or it may be paid into a capital fund. A receipt of less than £10,000 is not treated as a capital receipt (and may thus be treated as income).

Implications

8. Financial: The sale of the land could add valuable funds into the Council. Although the income if over £10k would be considered a capital receipt and can only be used for certain purposes.
9. Strategic: We will ensure that the money entrusted to us by the residents of Chesham is securely managed and spent effectively on achieving the above strategic objectives.

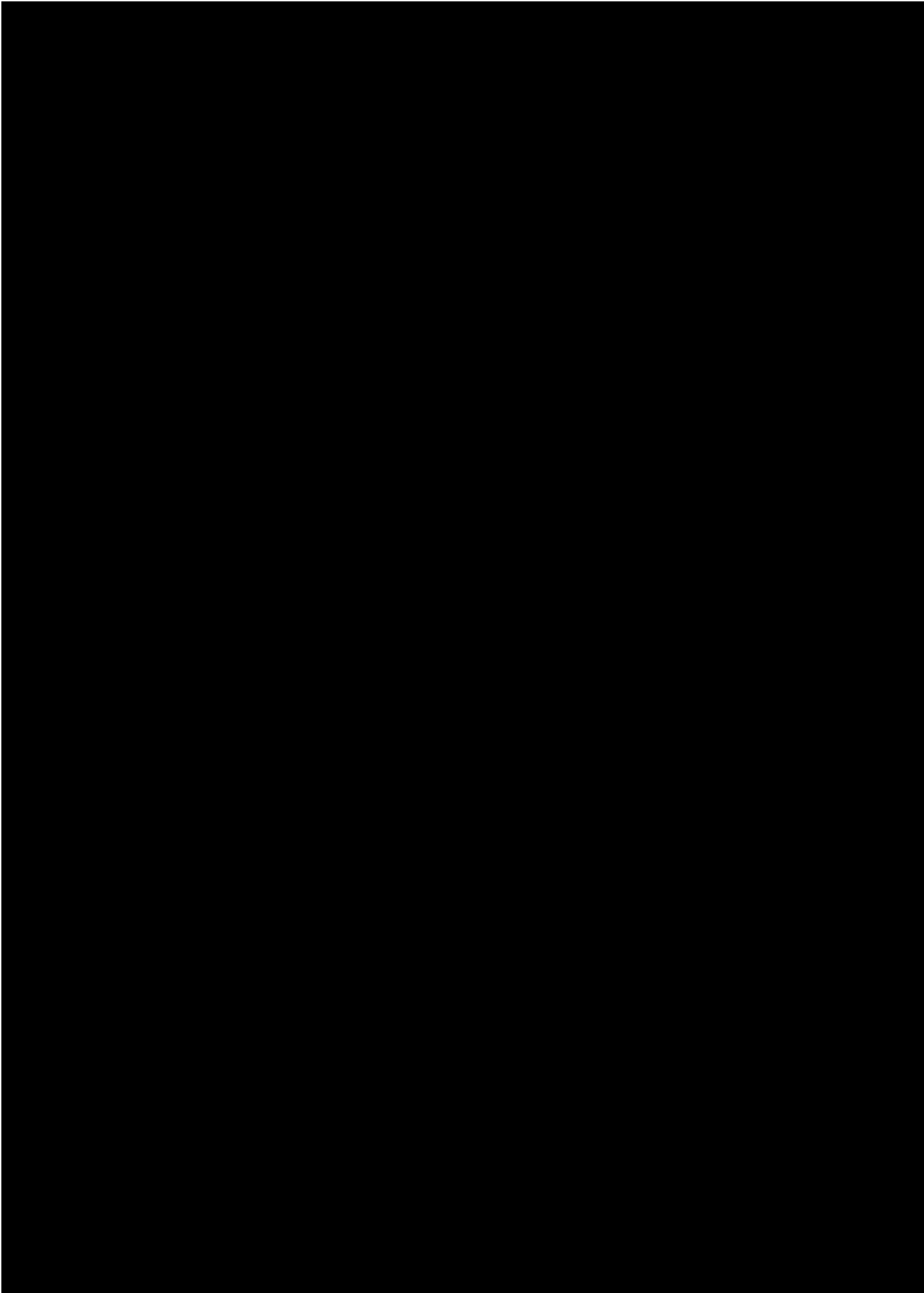
¹ Local Government Act 2003, s 11

10. Environmental: The land contains a waterway and this would need to be correctly managed.

11. Equality Act: none pertaining to this report.

Recommendation:

- i) To consider the sale of the land marked in blue.
- ii) To consider obtaining a valuation of the land marked in blue and recovering any cost from the resident. (Land should be valued by the District Valuer Services)



Report of the Officers to a meeting of the Corporate Services Committee on 2nd April 2024

AGENDA ITEM NO 13: Town Hall Living Wall

Reporting Officer:

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

Purpose of Report

1. To note the position regarding the living wall at the Town Hall.

Background Information

2. Chiltern District Council secured DEFRA funding to erect and maintain a living wall in Chesham for three years, as a result of the existence of the Air Quality Management Area. At the Development Control meeting held on the 17th February 2014, the committee resolved "*that the Living Green Wall be erected at the Town Hall, subject to there being no suitable alternative venues; no logistical issues regarding its installation and on the understanding all maintenance and associated costs be borne by Chiltern District Council*" (Min no. 108).
3. After the grant funding had been used, Chiltern District Council and then Buckinghamshire Council continued to pay for the wall's annual maintenance, due to local pressure to keep the wall.
4. The maintenance contract for the Living Wall finished in September 2023 and was not renewed by Buckinghamshire Council.

Findings

5. At the Corporate Services Committee meeting held on the 11 September 2023, members considered whether the Town Council would wish take over the maintenance contract (£2,500 per year), or install an alternative type of living wall that could be maintained in-house or by volunteers. It was determined that officers should write to Buckinghamshire Council to express the Council's concern that Buckinghamshire Council should be seeking to remove a feature intended to address air pollution.
6. A Buckinghamshire Council Environmental Protection Officer has informed your officers that trials of green walls as methods to improve air quality have been carried out following the installation of the Town Hall Living Wall, and have found that they are not as effective as first thought; living walls only really work as pollution barriers if placed between the source of pollution and the recipient. DEFRA no longer provide funding for the installation and maintenance of living walls.
7. Buckinghamshire Council did offer to buy and install a planter to grow a climbing plant up the Town Hall rear wall as an alternative to leaving a blank wall once the current feature is removed. However, our acting Parks Manager was of the view that a climber could be damaging to the Town Hall wall and was not supportive of this idea.

8. Buckinghamshire Council will be organising, and paying for, the removal of the Living Wall from the Town Hall.
9. One of Buckinghamshire Council's Environmental Protection Officers provided the following information to show what work is taking place to improve air quality in Chesham:

"The Strategic Environmental Protection Team are working with other departments in the council to make sure that improvement in air quality is considered as part of projects across the council. In Chesham, along with the Economic Regeneration Team we are encouraging visitors to arrive via Chesham Underground Station rather than using cars and to walk from the station to their chosen destination, encouraging active travel. We are improving the walk from the station to a number of popular destinations and also installing travel time wayfinding signs. We will provide an incentive for active travel via easily understandable journey and travel times, but also through lifting current dull and uninviting arrival points and pathways to key destinations.

The team will continue to work with the Economic regeneration team and others such as the transport strategy to ensure that other opportunities to reduce traffic emissions and encourage more active and sustainable travel in Chesham. We have also accepted an invitation to be on the steering group for the Chesham Smart water and public realm improvement project."

Implications

10. Strategic: the report accords with the following strategic aims;
 - 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 loss of the living wall will see the removal of a small area of planting at the Town Hall.
12. Equality Act: None pertaining to this report.

Recommendation:

13. **The following recommendation is made:**
 - i) **That the Committee notes the planned removal of the Living Wall from the Town Hall.**

AGENDA ITEM NO 14: Christmas In Chesham

Reporting Officer:

Name: Louise Hayday

Title: CEO/Town Clerk

Contact No:01494 774842

Email: louise.hayday@chesham.gov.uk

Purpose of Report

1. To recommend the engagement of Allan Parker Event Consultancy & Management to formally assist with the organisation and management of the Christmas in Chesham event.

Background Information

2. Christmas in Chesham is an annual event that takes place at the end of November each year.
3. The event is currently organised and managed primarily by the Community, Economy & Environment Manager at an estimated manpower cost to the council of around £3.2k
4. At the time of writing the Community, Economy & Environment Manager is owed a considerable amount of TOIL, much of this accumulating during the Christmas season.
5. Christmas in Chesham is historically a loss-making event, 2023 loss circa £1300. (excluding officer hours but including the cost of the town Christmas tree)
6. Allan Parker Event Consultancy & Management supported the Community, Economy & Environment Manager in 2023 to help obtain event sponsorship.

Findings

7. Allan Parker Event Consultancy & Management has produced a detailed proposal that can be seen at the end of this report.
8. Chesham Town Council would retain ownership of the event and any/all monies raised would fall into CTC income streams.

Implications

9. Financial: Cost saving and potential to receive a small income from the event.
10. Strategic: We will ensure that the money entrusted to us by the residents of Chesham is securely managed and spent effectively on achieving the above strategic objectives.
11. Environmental: None pertaining to this report
12. Equality Act: none pertaining to this report.

Recommendation:

To approve the engagement of Allan Parker Event Consultancy & Management for the Christmas in Chesham 2024 event, at a cost of £2000. Any continued engagement to be reviewed early 2025.

Proposal for Planning and Delivery of "Christmas in Chesham" Event 2024

This document contains a detailed proposal for the management of the Planning, Coordination, Sponsorship Acquisition and Delivery of 'Christmas in Chesham 2024'.

Detailed below is an Executive Summary of the proposal:

- My short-term vision for the event is first and foremost to improve the financial performance of the event and avoid it running at a loss, with a target of breaking even for 2024.
- In the longer term, I would envisage this event becoming a profitable undertaking for Chesham Town Council.
- To increase the events revenue and in time making this a profit-driving event, there are 4 key areas to focus on:
 - o Event sponsorship opportunities
 - o Pitches / stall costs
 - o Vendor / Contractor selection & relationship management
 - o A new revenue model for the Fun Fair
- Using last year as base, the estimated hours associated with this project are c. 150. In 2023, this was executed by a Chesham Town Council Officer, alongside their usual day-to-day responsibilities. The event has been a huge success over the last 2 years but making the event profitable is fundamentally not achievable with the current operational model.
- My ambition, using a more focused and streamlined operating model, would be to reduce the number of hours required to manage the project, while still making it a profitable endeavour post year 1 of my involvement.
- The ongoing success of Christmas in Chesham requires investment / involvement from the entire community to help shape this event and others so they match what our community needs. I propose establishing a Community Steering Group, involving local businesses such as Trekkers and The Tavern, to have input into how the event works, so that this is a point in the calendar that drives incremental revenue for all parties involved.
- My fee for managing the event totals £2,000

Detailed Proposal

1. Introduction:

"Christmas in Chesham" is the busiest night in Chesham's calendar, where thousands of visitors come to the high street to celebrate the start of the festive season, begin their Christmas shopping, to enjoy the night market and of course to meet Father Christmas. To maintain and enhance its success, I propose a comprehensive management approach to oversee every aspect of the event, from planning to execution.

2. Observations for improvements from 2023:

From supporting Kathryn Graves this year at the last minute for sponsorship, I've noticed some areas for improvement, such as:

- Event planning should have been completed before October
- Promotional materials printed and distributed one month before the event
- Sponsorship should have been closed by September at the latest with a clear and ambitious target - unfortunately as we only had a few weeks in October, we could only raise £750 in sponsorship plus a £1000 CONTRA print deal.
- The funfair pays small fee to attend the event – this should be looked at within a new cost model

3. Services Offered:

A. Planning and Coordination

Concept development and event design
Budget planning and management
Contractor selection and management
Working with Kathryn on Risk assessments and Liaising with Unitary Authority such as SAG
Scheduling and timeline management
On-site coordination and troubleshooting

B. Sponsorship Acquisition:

Identifying potential sponsors
Creating compelling sponsorship packages
Developing a marketing strategy for sponsor outreach
Negotiating and securing sponsorships
Managing sponsor relationships

4. Management Fee Cost:

My professional event management services for "Christmas in Chesham" will be provided at a cost of £ 2000. This fee covers the entire event management process, from initial planning to event day execution, and it is based on my extensive experience in organizing successful events of this scale. I am committed to working within the proposed budget Chesham Town Council, with the intention of over a few years ensuring the event becomes commercially viable and self-funding.

5. Collaboration:

If successful in my application to run Christmas in Chesham on behalf of the town council, I would want to set up an organising committee with representatives from local businesses, community groups and residents, to ensure transparency of how the event is delivered.

6. Benefits to Chesham Town Council:

Reduced workload for council officers, allowing them to focus on other essential responsibilities.
Enhanced event quality and professionalism, resulting in a memorable experience for Chesham's residents and visitors.
A more extensive pool of potential sponsors, maximizing revenue opportunities.

7. Conclusion:

I am excited about the opportunity to work with Chesham Town Council to ensure the continued success of "Christmas in Chesham." my expertise and commitment to excellence makes me the ideal partner to manage this event.

I would be happy to discuss this proposal in detail and address any questions or concerns you may have. Please feel free to contact me at allan.parker@geobelle-events.co.uk to arrange a meeting at your convenience.

Thank you for considering my proposal, and I look forward to the possibility of collaborating with Chesham Town Council on this wonderful event.

AGENDA ITEM NO 15: Chesham Moor Gym and Swim 5-year Leasing of New Fitness Kit

Reporting Officers:

Danny Essex Head of Operational Services

Contact No:01494 774842

Email: danny.essex@chesham.gov.uk

Purpose of Report

1. To update members with an overview of the existing fitness kit and the need to consider a 5-year leasing agreement of a new range.

Background Information

2. The current range of fitness kit was originally leased in 2014 on a 5-year term. At the end of the term (2019), the Council were given the opportunity to purchase the range at a cost of £7000. At the time, as Gym and Swim Manager, I advised the then Clerk, that we should hold onto the kit for a period no longer than 1 year as the resale value of the kit at that stage would still be considerably more than that of the £7000 purchase price. We would have also benefitted financially from no lease payments over this 12-month period. The intention should have been to sell the kit in 2020 and use the proceeds as a substantial deposit to then fund a range for another 5 years. Late March 2020 saw the National lockdowns close facilities and it was an uncertain time for the leisure industry however the Gym and Swim adapted and overcame operational issues in order to accommodate the Governments stringent guidelines required to allow reopening. The leasing of a new range was deferred by the Clerk in 2021.

Findings

3. The gym kit is now in its 10th year and subsequently holds no monetary value to us as an asset.
4. It is also worth noting that over the last 3-year period, £5788.15 has been spent on repairs to gym kit along with annual servicing totalling £2,268.72.
5. The Manager is currently in a position where sourcing replacement parts is no longer an option as manufacturing has stopped for this range several years ago.
6. Two major items have now been removed with several others being placed out of operation until time until such time certified pre-owned used spares can be sourced and fitted.
7. There is an annual PAT test carried out on all 'wired units' and as motors/general electrical components become more worn, they will fail the test on safety grounds rendering the unit unusable.
8. The annual service by an external company recently highlighted a substantial cost associated with repairs that exceed the cost of the equipment.

Implications

9. Financial: It would be wise that a new range be leased over a 5-year period and several suppliers have expressed an interest.
- Supplier 1 Monthly £2070.47 (Buy back of existing kit £3000 and taken off the monthly premium, *monthly price ONLY INCLUDES 2 YEAR maintenance contract) Remaining 3 years will need to be purchased at an extra cost.
- Supplier 2 Monthly £2016.08 (Buy back of existing kit £3000.00 and taken off the monthly premium, also includes a 5-year maintenance contract)
- Supplier 3 Monthly £1483.07 (Buy back of existing kit £3670.00 and taken off the monthly premium, also includes a 5-year maintenance contract)
10. Having scrutinised all 3 quotations, subsequent visits were made to operator sites to view equipment in use.
- Supplier 1. One of the larger suppliers, already known to us, excellent kit, good track record.
- Supplier 2. Has held a strong place in the commercial market for some years now, in my opinion it offers a good product with good back up service for a fair price.
- To investigate further, both myself and the Gym and Swim Manager attended two sites that had this kit in use.
- I was pleased to see that the range was in excellent condition at year 1 year as it was at year 5. The operators were pleased with the service received from supplier 2 and would recommend. Supplier 2 also offers an app-based software available to users to inspire and motivate with access by staff to monitor and advise. This app would also be a useful tool to help drive revenue and aid member retention.
- The 5-year lease option includes 1 preventative maintenance service per year with all parts and labour included, including upholstery (not always the case with suppliers)
- Supplier 3. A relatively unknown supplier fairly new to the market. Their price is very competitive as they intend to gain commercial sites within the UK however, their sites are few and far between and I feel this to be too much a risk to commit too over a 5 year period.
11. The current financial position of the facility is healthy, in addition the omission of the leisure rate relief in both the current year (£30,496) and the 24/25 budgets (£TBC), more than covers the first two years of leasing fees without a negative effect on the bottom line. Ongoing leasing fees can then be budgeted for accordingly.
12. Strategic: accords with strategic aim 3 – *‘To ensure residents to enjoy high-quality social, recreational and cultural facilities by improving them in accordance with the desires expressed by residents’*.
- Strategic: accords with strategic aim 6 – *‘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’*.
13. Environmental: None pertaining to this report.
14. Equality Act: None pertaining to this report.

Recommendation:

15. The following recommendations are made:

- i) That the supplier 2, 5-year lease be agreed and Officers instructed to proceed.**

AGENDA ITEM NO 16: Elgiva Heating System

Reporting Officer:

Name: Louise Hayday

Title: CEO/Town Clerk

Contact No:01494 774842

Email: louise.hayday@chesham.gov.uk

Purpose of Report

1. To review options for the heating and cooling system at the Elgiva.

Background Information

2. In August 2023 the following report was given to Council:

The existing HVAC system which heats the theatre ceased operating in spring 2023. The cost of repair is estimated at between £25,000 to £30,000 which officers consider to be uneconomical given the age of the system. Officers are currently working with Bucks Community Energy to determine the specification and funding opportunities available for a replacement and initial discussions indicate that an air conditioning type system is likely to be the best, most environmentally friendly system which gives the added benefit of being able to both heat and cool the Theatre as required. Unless a new system is installed ahead of the approaching winter period, there is a risk that performances will need to be cancelled resulting in a significant drop in income. It is hoped that significant grant funding will be available to help towards the cost but given the urgency of the matter, Council are being asked to consider whether its wishes to instruct officers to carry out repairs to the existing system or approve expenditure of up to £75,000 to replace this system.

The following recommendations were made:

- a) *The Council consider whether it wishes to repair the existing heating system or invest in a new one.*
- b) *The Council instruct officers to carry out a tender process for both roof and heating repairs/replacement*
- c) *The Council consider how, in principal, it might wish to fund these works once tenders are received and accepted.*

3. The Elgiva used portable heaters over the winter period which impacted heavily on the electricity usage at the site.

Findings

4. The tenders have now been received and evaluated and the only one deemed viable is at a cost of £128,500.00.
5. Funding this from reserves would use an estimated 25% of the remaining general reserve.
6. The project appears to be a perfect fit for the Public Sector Decarbonisation Scheme which aims to provide grants for public sector bodies to fund heat decarbonisation and energy efficiency measures. There is a match funding expectation for this scheme in which applicants

must contribute a proportion of their own funding towards the project. As a minimum this proportion is equivalent to the full costs of replacing their existing heating system on a like-for-like basis. However, there is no upper limit to this funding as other energy saving measures can be bundled into the application without additional match funding, promoting a 'whole building' approach to decarbonisation.

7. The Council is now presented with three options:
- 1) Agree to fund the installation of the air conditioning system from general reserves for installation in August this year.
 - 2) To repair the existing system and then wait until the PSDS opens in the autumn with a view to applying for funding for a new system and possibly other decarbonisation measures.
 - 3) Continue with the current arrangements for heating and cooling using portable heaters and hiring an air con unit if required in the summer. Then wait until the PSDS opens in the autumn with a view to applying for funding for a new system and possibly other decarbonisation measures.

Implications

8. Financial:
- Option 1: A cost to the reserves of £128,500.00
- Option 2: A cost to the reserves of £30,000, and a later matched funding cost unknown (however grant funding is not guaranteed to be successful)
- Option 3: A significant cost to utilities in the interim period and a later matched funding cost currently unknown. (however grant funding is not guaranteed to be successful)
9. 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.
 - We will ensure that the money entrusted to us by the residents of Chesham is securely managed and spent effectively on achieving the above strategic objectives.
10. Environmental: Decarbonisation of Council operations is paramount to reaching net zero by 2030.
11. Equality Act: none pertaining to this report.

Recommendation:

- i) **Option 3:**
Continue with the current arrangements for heating and cooling using portable heaters and hiring an air con unit if required in the summer. Then wait until the PSDS opens in the autumn with a view to applying for funding for a new system and possibly other decarbonisation measures.

AGENDA ITEM NO 17: Temperance Hall

Reporting Officer:

Name: Louise Hayday

Title: CEO/Town Clerk

Contact No:01494

Email: @chesham.gov.uk

Purpose of Report

1. To receive an update on the current situation with regards to Temperance Hall and present a recommendation for the future of the site.

Background Information

2.
 - 1852 The Chesham –Temperance Society paid £152 for two cottages in Church Street.
 - 1886 The Temperance Society bought the adjoining cottage, the former town lock-up, this is now the kitchen. Cost of purchase was £77
 - 1958 Chesham Urban District Council bought the Temperance Hall from the Temperance Society and agreed to a “restrictive covenant” to prevent sale of intoxicating liquors on the premises
 - 1974 The Chesham Urban District Council transferred ownership of the Temperance Hall to the new Chesham Town Council subject to the existing covenant
 - 1983 On 10th October a 21 year lease for the Temperance Hall was signed between Chesham Town Council and Trustees on behalf of Chesham Bois Catholic Players.
 - Over the years, on the ground floor, the existing outbuildings were demolished to make way for new toilets, a foyer, a refurbished kitchen and green room. A new first floor was added above the new extension comprising a work area and dressing room. Storage for costumes, stage and technical equipment was created by lowering the existing ceiling.
 - 2003 The Temperance Hall was eventually re-furbished and the name changed to The Little Theatre by the Park.
 - 2005 On 15th December the Chesham Town Council agreed to re-new the lease to the Trustees for a further 21 years.
 - 2010 The new lighting rig was installed. A cast kitchen was added to the facilities upstairs
 - 2012 Further refurbishment saw new Ladies and disabled toilet facilities, including baby-changing facilities. The foyer was updated to include a Box Office and display facilities.
 - The current lease is due to expire in 2026.
 - The current trustees no longer wish to continue with the lease.
3. Current uses include local theatre companies and private hire. Currently bringing income into the facility of around £12.6k per year.

Regular Users

Chesham and Amersham Tai Chi School	Tuesday	£ 1,237.50
JSDA - Dance Academy	Wednesday/Thursday	£ 4,517.50
Phoenix Players Chesham	Monday	£ 1,140.00
Elgiva Youth Theatre	Tuesday	£ 2,335.64
Single Bookings	Various	£ 997.50

Productions in 2023- 2024

Phoenix	£	1,347.50
PS Theatre	£	657.50
Pebbles	£	442.50

Total £12,675.64

It is worth noting that £2.3k of the current income is coming from the Elgiva.

4. The current leaseholders are responsible for all bills and both internal and external maintenance. They pay a peppercorn rent of £100 per year to CTC.

Findings

5. With the current lease holders wanting to give up the lease the Council is presented with options on what to now do with the building.
 - 1) Sell – This would free up much needed funds, but would lose a community facility.
 - 2) Continue to lease out on a peppercorn rent – prospective lease holder already expressed interest.
 - 3) Lease commercially but take back in house all maintenance.
 - 4) Pass management of the facility to the Elgiva to use as a community facility and use the back of the building as a café to serve Lowndes Park.
6. The manager of the Elgiva is particularly keen to take on the facility.

The benefits of the Elgiva managing the hall would be:

- Infrastructure already in place including experienced events staff, website, marketing functions and computerised booking and box office systems.
- It would give community access to an improved smaller performance space that is lacking, and for which, demand exists.
- Already have a presence there with the youth theatre hiring on Tuesday evenings..
- Can improve the quality of the technical facilities (using old lighting and sound equipment that is no longer of use at the Elgiva). This would benefit existing hirers, attract local and touring theatre companies to the venue for rehearsals and performance. Create pro programme
- Already have links with most of the existing hirers and the intention would be to support their continued use of the facility.
- It would provide the Elgiva with a smaller professional space to develop new audiences within it's programme.
- Provide a space to host a summer activity programme which is needed, but not possible at the Elgiva
- Economies of scale relating to purchasing supplies and services

Increase bookings by:

- Raising the profile of the venue, advertising the space to interest groups eg Health and well being groups, local dance & drama groups, parent & baby etc etc.
- Create an Elgiva activity programme focusing on pre-school, schools and 60+ markets during the day.
- Promote and prioritise the weekend for private hires, local small scale theatre, small scale touring shows, cinema screenings and a variety of workshops as part of the Elgiva programme.

- Provide technical theatre support, not currently available, to make venue more attractive to theatre groups.
- School holidays - Focus on family activities/workshop programmes & private hires.
- Offer a catering service through Café Encore (taking a commission on sales) making venue more attractive to hirers.

Staffing

To reduce staffing requirements, we would continue with the practice of giving regular hirers keys to the venue (need to check with insurers). Hirers would also continue to be responsible for cleaning and equipment storage at the end of the hire.

1st Year Anticipated Budget

		Gross	Net	Comments
Income	Regular hires	12800	10700	25% increased usage based on existing hire rate
	Single & Weekend hires	4000	3333	25% increased usage based on existing hire rate
	Elgiva shows & workshops use	2000	2000	Transferred from Elgva for the 'hire'. Covered by production income
	Catering - 10 events £500/event @ 20%	1000	1000	Based on a 20% commission for private events
	Elgiva Youth Theatre saving	2500	2500	Saving based on the hire costs currently incurred by the Elgiva
	Total income	22300	19533	
Expenditure	Heating	526	438	VAT 20% Based on figures supplied by leaseholder
	Gas	1827	1740	VAT @ 5%. Based on figures supplied by leaseholder
	Elec	641	611	VAT @ 5%. Based on figures supplied by leaseholder
	Water	507	483	VAT @20% Based on figures supplied by leaseholder
	Insurance	0	0	Minimal cost added to CTC Insurance
	Staffing	3900	3900	Admin, marketing, checks etc
	Cleaning & consumables	2160	1800	Elgiva's current cleaning contractor would be used
	Marketing	600	500	Design, print and social media.
	Equipment & materials	600	500	
	Total Expenditure	10760	9971	
	Anticipated net surplus		9562	

Income - Anticipated annual income for year 1 hire would be in the region of £19.5K, creating a surplus after costs in the region of £9.5k. This does not include any ticket income or F&B income.

7. The Head of Operational Services is keen to explore the use of the building to provide the café for Lowndes Park¹, this would allow CTC to better control the offering without the reliance on a relationship with the Bowls Club. The masterplan (p18) also talks of a link with Temperance Hall to use the play and performance area in the park. Taking the facility back in house and running under the Elgiva banner (with café at the rear in the future) could be the first stage of delivering on part of the Lowndes Park strategic masterplan.

Photographs of the rear of the building and the proposed café area can be seen in appendix 1.

¹ As mentioned in the Lowndes Park Strategic Masterplan 2023

8. The building currently has a restrictive covenant on it prohibiting the sale of alcohol on the premises, some initial research had been conducted on removing this and there are several options to either remove or overcome the restriction. A full premises licence could then be applied for.

Implications

8. Financial: CTC would assume all maintenance costs and risk if the business was to be bought back in house and therefore runs a financial risk of having another loss-making facility. No budget has been allocated to the upkeep or running of Temperance Hall in the 2024/25 budget. It would be hoped that at least initially any surplus made by the facility could be put back into the building to bring it up to an appropriate standard.

The Café would need to be a longer-term project as there would be reasonable cost involved in creating a serving area at the rear of the building and the fitting out requirements.

9. 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.
- We will ensure that the money entrusted to us by the residents of Chesham is securely managed and spent effectively on achieving the above strategic objectives.

10. Environmental: None pertaining to this report

11. Equality Act: none pertaining to this report.

Recommendation:

12. The following recommendations are made:

- i) For Chesham Town Council to bring Temperance Hall back under the management of the Town Council, with the day to day running of the facility delegated to the Elgiva management team.
- ii) To consider at a later date the installation of a café in the rear of the building to serve Lowndes Park.

Appendix 1



Rear Entrance and proposed café



Side Access from Church Street



Grass seating area to side



Grass seating area to side



Grass seating area to side



View out to Lowndes Park

Report of the Officers to a meeting of the Corporate Services Committee on 2nd April 2024

AGENDA ITEM NO 18: Review of the Annual Donations Scheme

Reporting Officer:

Kathryn Graves
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Purpose of Report

1. To consider a revision to the Donations Scheme.

Background Information

2. The Donations Scheme was last reviewed by the Corporate Services Committee on the 17 July 2023.

Findings

3. At the Council meeting held on the 11 December 2023, it was determined that process for future donations should be considered again (Min no. 78).
4. It is proposed that an additional step is added to the current process, so that officer recommendations are considered by the Mayor and Deputy Mayor before they are put before Council.

Implications

5. Strategic: the report accords with the following strategic aims;
 - 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.

Recommendation:

6. The following recommendation is made:
 - i) **That the process for the Donations Scheme is amended to include scrutiny of officer recommendations by the Mayor and Deputy Mayor before submission to Council.**