



Elstree and Borehamwood Town Council

FINANCIAL MANAGEMENT RISK ASSESSMENT 2024/25

In order to comply with Regulation 4(2) of the Accounts and Audit (England) Regulations 2011, the Council must minute an appropriate risk assessment having been carried out during the year and is presented to Full Council at its meeting on 13 March 2024 (to be applicable until March 2025) with the following recommendation:

That the Financial Risk Assessment 2024/25 be approved and adopted, subject to any amendments agreed by Council, with the Final Version being added to the Town Council website (Finance Information).

	Risk	Control Action Internal Controls	Review Frequency & Responsible Person
¹	Lack of forward planning and budgetary controls	*Business plans in operation *In year budget reviews	Annually by GMC in Budget setting Process ACTION: Council Budget approved February 2025 after Budget Reviews by Committees.
²	Poor reporting to Council	*Timely and accurate financial reporting *Clear instructions to staff *Regular project reports	ACTION: Income/Expenditure reports submitted to all Ordinary GMC Meetings for review by Members during Year.
³	Loss of key staff	*Succession Planning *Clear office procedures	Annually

		<ul style="list-style-type: none"> * Good Record Keeping *Clear budgetary procedures *Up to date job descriptions *Appraisal system *Training for Staff to cover duties when responsible staff absent 	ACTION: All Staff Appraisals conducted. All Staff training programmes implemented. Staff Panel established and updated to include 3rd Council member and Town Clerk at GMC 16/11/2023
4	Failure to respond to electors' wish to right of inspection	<ul style="list-style-type: none"> *Clear Standing Orders and Operating Protocols *Documented procedures to deal with enquiries from the public 	Annually ACTION: Council Standing Orders reviewed every year. Documented complaints procedure and Publication Scheme every 2 years. Notice of Completion of Audit displayed on all Council notice boards.
5	Poor document control	<ul style="list-style-type: none"> *Clear Standing Orders * Document List *Clear job descriptions *Documented Filing Procedures and clear retention policy 	Annually ACTION: Council Standing Orders reviewed every 1 year.
6	Ensure Council complies with law in particular: <ul style="list-style-type: none"> *Health and Safety *Equal Opportunities *Data Protection *Human Rights *Disability and Discrimination *Employment Law 	<ul style="list-style-type: none"> *Clear Health & Safety, Equal Opportunities, Data Protection, Human Rights, Disability Discrimination and Employment Policies and procedures *Regular review of law * Access to advisory bodies – NALC/HAPTC/Insurers * Staff Training 	Annually ACTION: Review of Health & Safety Audit undertaken By Worknest to advice Council. Advice from NALC and HAPTC. Meetings held with Health and Safety

			Consultants and Insurers. All Staff issued with Staff Handbook (including grievance/disciplinary procedures and conduct). ico Cover and implementation of data protection policy.
7	Ensuring all business activities are within legal power	*Recording in the minutes the precise power under which expenditure is being approved * Access to advisory bodies – NALC/HAPTC/Insurers * Staff Training	Monthly ACTION: Expenditure powers recorded in Council and Committee Minutes and on Voucher Sheets. Expenditure over £500 recorded and published on website (monthly).
8	Proper, timely and accurate reporting of Council business in the Minutes	*Approval by committee and Council *Minutes properly numbered and paginated with a master copy kept in safekeeping	Monthly ACTION: Clerk completed CiLCA in 2015 to ensure compliance with correct procedures for Council documentation.
9	Meeting the laid down timetables when responding to consultation invitation	*Documented procedures to deal with responses to consultation requests	Annually ACTION: All planning consultation and other consultations responded to within agreed deadlines (with consideration by Committees or Council prior to

			response). Alternatively Special Meetings are held to deal with issues arising or are dealt with by email consultation.
¹ ₀	Council lacks relevant skills and commitment	*Training for Councillors * Review of attendance	ACTION: Training for Councillors offered through HAPTC training courses (or others if required). Member training strategy reviewed at GMC meetings.
¹ ₁	Councillors benefiting from being on the Council	*Clear Standing Orders *Open system of payment	Annually All meetings
¹ ₂	Failure to register Members' interests, gifts etc	*Procedures in place for recording and monitoring Members interests and gifts	ACTION: All Members signed interest forms on election and Interests declared and recorded as appropriate in Minutes and Interests Register (published online)
¹ ₃	Lack of maintenance of Council owned property	*Building survey *Regular routine maintenance and inspection *Insurance cover	Annually ACTION: Services Supervisor and Deputy Clerk continue to document building inspections and Insurance cover reviewed and

			updated. All sites inspected and secured on rolling basis. Insurance policy reviewed annually prior to renewal.
¹ 4	Damage or loss to Council owned property by third party or act of God Insufficient protection of physical assets owned by the Council - buildings, furniture, equipment etc. Legal liability as a consequence of asset ownership	<ul style="list-style-type: none"> *Insurance cover *Good Fire and carbon monoxide Alarms *Clear Staff Monitoring and auditing procedures *Maintain an up to date register of assets *Regular maintenance arrangements for physical assets *Annual review of risk and adequacy of insurance cover *Professional Contractors/Personnel *premises security *policy for keyholders 	<p>Annually</p> <p>ACTION: Services Supervisor and Deputy Clerk continue to document building inspections and Insurance cover reviewed and updated. Fire Alarm/Equipment tests regularly.</p>
¹ 5	Damage to third party property or individual due to Service or Amenity provided	<ul style="list-style-type: none"> *Public Liability Insurance *Comprehensive event planning *Regular checks of facilities *Ensure all amenities/facilities are maintained to appropriate level *Risk assessments 	<p>As required</p> <p>ACTION: Services Supervisor and Deputy Clerk continue to document building inspections. Risk Assessments undertaken for requisite Council activities and stored centrally.</p>
¹ 6	Loss of cash through fraud or dishonesty	<ul style="list-style-type: none"> *Clear financial procedures *Adequate insurance cover *Town Clerk not involved in operation of funds 	<p>Annually</p> <p>ACTION: Fidelity Guarantee Cover of Insurance Policy Reviewed and In House audit checks</p>

			with 2 Members (x2 per Year).
¹ 7	<p>Inadequacy of Precept</p> <p>Ensuring the adequacy of the annual precept within sound budgeting arrangements</p>	Regular in-year budget progress reports	<p>Every GMC meeting</p> <p>ACTION: Council Budget approved on 17/01/24 after Budget Reviews by Committees. Alternatively Special Meetings are held to deal with issues arising.</p>
¹ 8	<p>Problems due to borrowing or lending. Banking arrangements, including borrowing or lending.</p> <p>Complying with restrictions on borrowing</p>	<p>*Include in annual budget</p> <p>*Clear Standing Orders</p> <p>*Prepare, adopt and adhere to codes of practice for procurement and investment</p>	<p>Quarterly reviews</p> <p>ACTION: Standing Orders adopted. Investments (Savings) under review by In House Audit.</p>
¹ 9	<p>Failure to use grants for intended purposes</p> <p>Ensuring the proper use of funds granted to local community bodies under specific powers or under s137</p> <p>Ensuring CIL (and s.106) expenditure</p>	<p>*Clear minutes</p> <p>*Ensure funds properly ring fenced</p> <p>*Clear financial procedures</p> <p>*Follow up on use</p> <p>*Record clearly in minutes</p> <p>*Maintain a separate record for s137 expenditure</p> <p>*Maintain a separate record for s106 expenditure</p> <p>*Maintain a separate record</p>	<p>Annually</p> <p>ACTION: Grant Procedures Updates, All Grants recorded in Council Minutes with powers of expenditure and published in Council Newsletter. S.137 Expenditure Record Kept for Year End Accounts on</p>

	is in accordance with legislation and Town Council policies	for CIL expenditure (reported to Environment and Planning Committee) and submitted to Hertsmere Borough Council annually	Voucher Sheets. Grant recipients required to provide evidence of use together with receipts/invoices/purchase orders.
² ₀	Keeping proper financial records in accordance with statutory requirements	Regular scrutiny of financial records and proper arrangements for the approval of expenditure	Annually ACTION: In House Audit Sub-Committee meets twice per Year – reports submitted to GMC/Council with recommendations. Internal and External Audit of Accounts.

Tracey Malton
Town Clerk
13 March 2024



Elstree and Borehamwood Town Council

Financial Regulations (Policy Document)

(In these Financial Regulations references to the Accounts and Audit Regulations shall mean the Regulations issued under the provisions of section 27 of the Audit Commission Act 1998 and then in force)

1 GENERAL

- 1.1 These financial regulations govern the conduct of financial management of the council and may only be amended or varied by resolution of the Council.
- 1.2 *The Responsible Financial Officer (RFO) is a statutory office and shall be appointed by the council. The Clerk has been appointed as RFO for this council and these regulations will apply accordingly. The RFO, acting under the policy direction of the Council, shall administer the Council's financial affairs in accordance with proper practices. The RFO shall determine on behalf of the council its accounting records, and accounting control systems. The RFO shall ensure that the accounting control systems are observed and that the accounting records of the council are maintained and kept up to date in accordance with proper practices.*
- 1.3 The RFO shall be responsible for the production of financial management information.
- 1.4 *At least once a year, prior to approving the annual return, the Council shall conduct a review of the effectiveness of its system of internal control which shall be in accordance with proper practices (the "In House" Audit Subcommittee meets twice per year for this purpose).*
- 1.5 *In these financial regulations the term 'proper practice' or 'proper practices' shall refer to guidance issued in 'Governance and Accountability in local Councils in England and Wales – a Practitioners' Guide', which is published jointly by NALC and SLCC and updated from time to time.*

2 ANNUAL ESTIMATES

- 2.1 Each Committee shall formulate and submit proposals to the Council in respect of revenue and capital, *including the use of reserves and sources of funding* for the following financial year not later than the end of December each year.
- 2.2 Detailed estimates of all receipts and payments for the year shall be prepared each year by the RFO *for consideration by the Council.*
- 2.3 The Council shall review the estimates not later than the end of January each year and shall fix the Precept to be levied for the ensuing financial year. *The RFO shall issue the precept to the billing authority and shall supply each member with a copy of the approved budget.*

FINANCIAL REGULATIONS (continued)

- 2.4 The annual budgets shall form the basis of financial control for the ensuing year.
- 2.5 *The Council shall consider the need for and shall have regard to a three year forecast of Revenue and Capital Receipts and Payments which may be prepared at the same time as the annual Budget.*

3 BUDGETARY CONTROL

- 3.1 Expenditure on revenue items may be incurred up to the amounts included for *that class of expenditure* in the approved budget
- 3.2 The RFO shall regularly provide the Council with a statement of receipts and payments to date under each head of the budgets, comparing actual expenditure against that planned.
- 3.3 The Clerk may incur expenditure on behalf of the Council which is necessary to carry out any repair, replacement or other work which is of such extreme urgency that it must be done at once, whether or not there is any budgetary provision for the expenditure, subject to a limit of £3,000. The Clerk shall report the action to the Council as soon as practicable thereafter.
- 3.4 Unspent provisions in the revenue budget shall not be carried forward to a subsequent year *unless placed in an earmarked reserve by resolution of the Council.*
- 3.5 No expenditure shall be incurred 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, or the requisite borrowing approval has been obtained.
- 3.6 All capital works shall be administered in accordance with the Council's standing orders and financial regulations relating to contracts.

4 ACCOUNTING AND AUDIT

- 4.1 *All accounting procedures and financial records of the Council shall be determined by the RFO as required by Accounts and Audit Regulations*
- 4.2 The RFO shall be responsible for completing the annual financial statements of the Council *including the Council's Annual Return* as soon as practicable after the end of the financial year and shall submit them and report thereon to the Council.
- 4.3 The RFO shall be responsible for completing the Accounts of the Council contained in the Annual Return (as supplied by the Auditor appointed from time to time by the Audit Commission) and for submitting the Annual Return for approval and authorisation by the Council within the timescales set by the Accounts and Audit Regulations.
- 4.4 The RFO shall ensure that there is adequate and effective system of internal audit of the Council's accounting, financial and other operations in accordance with *proper practices*. Any officer or member of the Council shall, if the RFO or Internal Auditor requires, make available such documents of the Council which appear to the RFO or Internal Auditor to be necessary for the purpose of the internal audit and shall supply the RFO or Internal Auditor with such information and explanation as the RFO or Internal Auditor considers necessary for that purpose.
- 4.5. The Internal Auditor *shall be appointed by and shall* carry out the work required by the Council *in accordance with proper practices*. The Internal Auditor, who shall be competent and

FINANCIAL REGULATIONS (continued)

independent of the operations of the Council, shall report to Council in writing on a regular basis with a minimum of one annual report in respect of each financial year. *In order to demonstrate objectivity and independence, the internal auditor shall be free from any conflicts of interest and have no involvement in the financial decision making, management or control of the council.*

4.6 *The RFO shall make arrangements for the opportunity for inspection of the accounts, books, and vouchers and for the display or publication of any Notices and statements of account required by Audit Commission Act 1998 and the Accounts and Audit Regulations.*

4.7 The RFO shall, as soon as practicable, bring to the attention of all Councillors any correspondence or report from the Internal or External Auditor, unless the correspondence is of a purely administrative matter.

5 BANKING ARRANGEMENTS AND CHEQUES

5.1 The Council's banking arrangements, *including the Bank Mandate*, shall be made by the RFO and approved by the Council. They shall be regularly reviewed for efficiency.

5.2 Cheques drawn on the bank account in accordance with the schedule referred to in paragraph 5.3 or in accordance with paragraph 6.4, shall be signed by two members of the Council.

5.3 A schedule of payments made since the last meeting, *and signed by the same two signatories* will form part of the Agenda for each ordinary Meeting of the Council for confirmation by the Council. If the schedule is in order it shall be authorised by a resolution of the Council and shall form part of the Minutes of the meeting.

6 PAYMENT OF ACCOUNTS

6.1 All payments shall be effected by bank transfer or other order drawn on the Council's bankers.

6.2 All invoices for payment shall be examined, verified and certified by the RFO. The RFO shall satisfy him/herself that the work, goods or services to which the invoice relates shall have been received, carried out, examined and approved.

6.3 The RFO shall examine invoices in relation to arithmetic accuracy and shall analyse them to the appropriate expenditure heading. The RFO shall take all steps to settle all invoices submitted.

6.4 *If a payment is necessary to avoid a charge to interest under the Late Payment of Commercial Debts (Interest) Act 1998, and the due date for payment is before the next scheduled Meeting of Council, where the RFO certifies that there is no dispute or other reason to delay payment, the RFO may (notwithstanding para 6.3) take all steps necessary to settle such invoices provided that a list of such payments shall be submitted to the next appropriate meeting of Council.*

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 salaries shall be as agreed by Council.

FINANCIAL REGULATIONS (continued)

- 7.2 Payment of salaries and payment of deductions from salary, such as may be made for tax, national insurance and pension contributions, may be made in accordance with the payroll records *and on the appropriate dates stipulated in employment contracts*, provided that each payment is reported to and ratified by the next available Council Meeting [5.3 above]

8 LOANS AND INVESTMENTS

- 8.1 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.
- 8.2 *The council shall consider the need for an Investment Policy which, if drawn up, shall be in accordance with relevant regulations, proper practices and guidance. Any Policy shall be reviewed at least annually.*
- 8.3 All investments of money under the control of the Council shall be in the name of the Council.
- 8.4 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 the Council as to terms and purpose. *The terms and conditions of any borrowings shall be reviewed at least annually.*
- 8.5 All investment certificates and other documents relating thereto shall be retained in the custody of the RFO.

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 Particulars of all charges to be made for work done, services rendered or goods supplied shall be agreed annually by the Council, notified to the RFO and the RFO shall be responsible for the collection of all accounts due to the Council.
- 9.3 The Council will review all fees and charges annually, following a report of the Clerk with the exception of admission prices for entertainment and leisure events which shall be delegated to the Entertainments Committee and Allotment Fees which shall be delegated to the Environment and Planning Committee.
- 9.4 Any sums found to be irrecoverable and any bad debts shall be reported to the Council and shall be written off in the year.
- 9.5 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.
- 9.6 The origin of each receipt shall be entered on the paying-in slip
- 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.

FINANCIAL REGULATIONS (continued)

- 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.
- 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 is to 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 The RFO shall verify the lawful nature of any proposed purchase before the issue of any order; and in the case of new or infrequent purchases or payments. The RFO shall ensure that the statutory authority shall be reported to the meeting at which the order is approved so that the Minutes can record the power being used.

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 these regulations shall 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, architects 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 any 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 Clerk and RFO shall act after consultation with the *General Management Committee Chairman* and *Mayor* of the 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 as defined by The Public Contracts Regulations 2015 (“the Regulations”)

FINANCIAL REGULATIONS (continued)

which is valued at £25,000 or more, the Council shall comply with the relevant requirements of the Regulations.¹

- (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.²
- (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 Clerk 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 Clerk 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.
- (f) All sealed tenders shall be opened at the same time on the prescribed date by the Clerk in the presence of at least one member of Council.
- (g) Any invitation to tender issued under this regulation shall be subject to Standing Orders³ and shall refer to the terms of the Bribery Act 2010.
- (h) When it is to enter into a contract of less than £60,000 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 Clerk or RFO shall obtain 3 quotations (priced descriptions of the proposed supply); where the value is below £5,000 and above £100 the Clerk or RFO shall strive to obtain 3 estimates. 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, 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

¹ The Regulations require councils to use the Contracts Finder website to advertise contract opportunities, set out the procedures to be followed in awarding new contracts and to publicise the award of new contracts

² Thresholds currently applicable are:

- a. For public supply and public service contracts 209,000 Euros (£164,176)
- b. For public works contracts 5,225,000 Euros (£4,104,394)

³ Based on NALC's model standing order 18d in Local Councils Explained © 2013 National Association of Local Councils

FINANCIAL REGULATIONS (continued)

- 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 by 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 Clerk shall be responsible for the care and custody of stores and equipment.*
- 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 Clerk shall be responsible for periodic checks of stocks and stores at least annually.*

14 ASSETS, PROPERTIES AND ESTATES

- 14.1 The Clerk shall make appropriate arrangements for the custody of all title deeds of properties owned by the Council. The RFO shall ensure a record is maintained of all properties owned by the Council, recording the locations, extent, plan, reference, purchase details, nature of the interest, tenancies granted, rents payable and purpose for which held in accordance with the Accounts and Audit Regulations.
- 14.2 No property shall be 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 £50.
- 14.3 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 an annual risk assessment, the RFO shall effect 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 the Council at the next available meeting.

FINANCIAL REGULATIONS (continued)

- 15.4 All appropriate employees of the Council shall be included in a suitable fidelity guarantee insurance which shall cover the maximum risk exposure as determined by the Council (*currently £1,000,000*).

16 CHARITIES

- 16.1 Where the Council is sole trustee of a charitable body the Clerk and RFO shall ensure that separate accounts are kept of the funds held on charitable trusts and separate financial reports made in such form as shall be appropriate, in accordance with Charity Law and legislation, or as determined by the Charity Commission. The Clerk shall arrange for any Audit or Independent Examination as may be required by Charity Law or any Governing Document.

17 RISK MANAGEMENT

- 17.1 *The Council is responsible for putting in place arrangements for the management of risk. The Clerk 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.*
- 17.2 *When considering any new activity, the Clerk shall prepare a draft risk assessment including risk management proposals for consideration and adoption by the council.*

18 REVISION OF FINANCIAL REGULATIONS

- 18.1 It shall be the duty of Full Council to review the Financial Regulations of the Council every year at the March meeting (or at any other time during the course of the year, as appropriate).

<p>Authority: Full Council Meeting: 13 March 2024 Review Body: Full Council Review Period: every 1 year Next Review: March 2025</p>
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Elstree and Borehamwood Town Council

Committees' Terms of Reference & Delegated Authority

2024/25

A) ALL COMMITTEES:

All Committees are charged with:

- i) recommending to Council appropriate policies and budget estimates for their services;
- ii) providing agreed services and standards of service within policy and budgetary provision; and
- iii) monitoring the services provided.

B) ENVIRONMENT AND PLANNING COMMITTEE:

Members: 5 (Quorum is 3), plus 1 Youth Councillor representative

The Environment and Planning Committee is responsible for the Allotment Sites (Melrose Avenue, Allum Lane and Stapleton Gardens), Closed Churchyards (St Nicholas and All Saints), War Memorials (Elstree and Borehamwood), Street Furniture, Plaques and Clocks (All Saints) and relevant environmental and planning issues within Elstree and Borehamwood, and is required to provide the Council's response to planning applications within the Town Council area.

- i) To consider and comment appropriately and impartially on all planning applications referred to the Council;
- ii) Where possible, to develop simple policy guidelines for the Council's response to planning applications;
- iii) To encourage improvements in the quality of the environment;

- iv) To consider County and District Plans and Reviews concerning town and country planning matters and transportation (or to refer these to the Transport and Road Safety Forum) and their implications for the area;
- v) To maintain, promote and improve the Council's allotment sites (and to promote and support bee keeping at these sites);
- vi) To provide and maintain street seating as appropriate;
- vii) To maintain the Council's notice boards;
- ix) To maintain public clocks and the war memorials;
- x) To oversee the maintenance of closed churchyards;
- xi) To consider the maintenance and development of public footpaths within Elstree and Borehamwood and to make representations, as required, to the appropriate Authority with jurisdiction;
- xii) To consider, and where agreed to contribute to, the maintenance of High Street Planters, Pavements and A Boards on Shenley Road and to make representations, as required, to the appropriate Authority with jurisdiction;
- xiii) To consider Community Infrastructure Levy bids and allocation of “top sliced” monies to the Town Council and, as appropriate, make recommendations to Full Council;
- xiv) To develop a framework (a determining panel to make recommendations to GMC) for considering bids to the Authority for top sliced CIL monies by local organisations seeking funds or to refer such applications to other bodies, as appropriate (including Community Grants schemes);
- xv) To contribute to the development of the Parish Walks programme (“Teddy’s Trails”) and to support and fund publicity (including a guide book/material) and administration of the organised walks;

C) ENTERTAINMENTS COMMITTEE:

Members: 5 (Quorum is 3), plus Mayor, Deputy Mayor and 1 Youth Councillor representative

The Entertainments Committee is responsible for the overall management and promotion of the Council’s programme of Civic and Public Events.

- i) To determine the arrangements for and to oversee the Annual Civic Festival of the Council; including the agreement of dates and timings,

types of events and acts and the requisite levels of support and administration;

- ii) To consider and determine budgeted applications for financial assistance relating to the Annual Civic Festival and other relevant Council organised events;
- iii) To promote the public image of the Town Council's organised events, activities and services through advertising on the Council's notice boards, the local press, the Council website and Social Media, the publication of The Town Crier (in consultation with the General Management Committee) and in all other appropriate ways, including the production of banners and other advertising merchandise;
- iv) To oversee the production of the Town Crier magazine (directly or through the Town Crier Working Group appointed at the first meeting of each Council Year, if required) and to agree on content, production timescales, advertising and costs;
- v) To determine the arrangements for and to oversee the Annual Fireworks Display on or near to 5 November;
- vi) To be responsible for the direct administration and budget of the annual over-60s coach trips and to determine scope of the scheme together with agreed trip destinations;
- vii) To oversee the arrangements for Christmas lighting in designated areas of Elstree and Borehamwood together with the management of a 'Switch On' Event (and to refer any recommendations for the renewal of contracts for the supply of such lights to the General Management Committee);
- viii) To consider any other opportunities for leisure and entertainments facilities or services that would be of benefit to the wellbeing of local residents or visitors to Elstree and Borehamwood and to make recommendations accordingly to the relevant authorities to promote and realise such opportunities;
- ix) To provide other public entertainments or events e.g. film screenings, festivals promoting diversity, celebratory events to commemorate local and national anniversaries such as Royal Weddings (or to contribute to these) as may be deemed appropriate for the benefit to the wellbeing of local residents or visitors to Elstree and Borehamwood;
- x) To oversee the production of a Town Guide and publicity material for entertainments in the Town (including material for use in tourism); and

- xi) To be responsible for the oversight of purchasing and determining the use of audio visual equipment for entertainments and Town Council use.

D) TOWN CRIER SUB COMMITTEE

Members: 3 (Quorum is 2) – at least one Member from each political group

The aims of the Sub Committee are to determine content and publication criteria for the quarterly Town Council Newsletter (Town Crier) and to be guided by the Entertainments Committee on matters of policy and budget (with any editorial clarification requirements being referred to the Committee for final determination, if required).

- i) to meet eight times in the Year (one meeting prior and one meeting post publication) with the with a membership agreed at the first Entertainments Committee meeting of each Council Year (Sub Committee Chairmanship to be an elected Councillor agreed at that meeting);
- ii) to agree Town Crier contents guidelines and FAQ information on a periodic basis, taking account of new legislation and guidance from the Authority's legal advisors and Town Clerk;
- iii) subject to approval of the Entertainments Committee and any budgetary considerations, to agree scope and value of advertising content by way of setting targets for each edition prior to publication; and
- iv) to report to the Entertainments Committee on the outcome of the meetings (above) with recommendations for action, if required.

E) GENERAL MANAGEMENT COMMITTEE:

Members: 5 (Quorum is 3), plus 1 Youth Councillor representative

The General Management Committee is responsible for matters relating to the general administration of the Council and its finances and some staffing arrangements (not covered by the Staffing Committee) and for other 'community services' not provided by the Environment and Planning Committee.

- i) To oversee the maintenance, development, Hall Booking procedure and Fee Scale for the use of Fairway Hall;

- ii) To determine the level of contributory funding to non-core Council Services (if agreed).
- iii) To oversee the IT requirements of the Council (including Web Site development and content);
- v) To oversee the Health and Safety requirements/arrangements of the Council and to be updated on developments/improvements, as appropriate;
- vi) To review and determine the Council's Insurance Policy and Schedules and to ratify prior to the relevant renewal period;
- vii) To promote the public image of the Town Council through advertising on the Council's notice boards, the publication of The Town Crier (in consultation with the Entertainments Committee) and in all other appropriate ways;
- viii) To oversee the Council's office accommodation, administration and finances;
- ix) To consider and determine the Council's staffing structure (as advised by the Staffing Committee).
- x) To consider all consultations not relating to Planning, Environment or Transport or to refer these to the Environment and Planning Committee and/or Transport and Road Safety Forum;
- xi) To consider Community Grant Applications at every meeting (if any received) and to make recommendations to Council on those referred to it with a recommended quantum of award unless the following criteria apply:
 - Community Grant applications for £500 or less be determined by the General Management Committee without reference to Full Council (where an application is for over £500 but the Committee recommends less, this would be referred to Council); and
 - Applicants seeking free use of Fairway Hall be referred to the Community Grants Process (i.e. apply for funding) with exception of x2 Mayoral Charity fundraising Events, 2-day Diversity Festival, Civic Festival events and BETTA usage.
- xii) To consider and determine Budgeted Grant Applications, as agreed by Council at the January Budget Setting Process (if agreed):

- xiii) To consider regular Finance Reports (Income/Expenditure) and to make recommendations to Council on Annual Budget Setting (for all services);
- xiv) To determine recommendations from Committees for the use of General Reserve Funds;
- xv) To make recommendations to Council on the expenditure of Earmarked Reserve monies;
- xvi) To consider new legislation and powers available to Town and Parish Councils and to make recommendations to Council on their use;
- xvii) To oversee the management of legal or insurance cases conducted by or against the Council;
- xviii) To determine recommendations from other Committees or in its own capacity terms of any new leases or contracts (or amendments to existing leases or contracts) relating to Council land or services; and
- xvix) To appoint the In House Audit Sub-Committee and Internal Auditors of the Council and to receive reports from the same and to confirm any recommendations made or refer these to Council.

F) IN HOUSE AUDIT-SUBCOMMITTEE:

Members: 2

- i) to meet twice in the Year with the Clerk (Responsible Finance Officer) to review the Council's Financial Arrangements, Regulations and Procedures (including the Council's Finance Package (Omega), Petty Cash, payment of invoices, banking receipts and any other matters, as necessary, dealing with the Council's finances);
- ii) to report to the General Management Committee on the outcome of the meetings (above) with recommendations for action, if required;
- iii) to review Membership and Terms of Reference at the first meeting of the Committee after each annual Council meeting; and
- iv) to consider and recommend for adoption investment opportunities for the Council's assets.

G) INTERNATIONAL AFFAIRS SUB-COMMITTEE

Town Council Members: 5 (to include at least one Member of any minority party) (Quorum is 3) plus 1 Youth Councillor representative (Meetings Open to Press and Public)

Meeting Frequency: As required to be called by Sub-Committee Chairman

Introduction

The EBTC International Affairs Subcommittee shall work to promote strong links between Elstree & Borehamwood and a range of appropriate international partner towns and municipalities.

The Sub-Committee will make recommendations to the General Management Committee (GMC) and Full Council in furtherance of these objectives. These recommendations shall include: allocation of resources; funding priorities; and possible new international partnerships and agreements to benefit Elstree and Borehamwood.

The Sub-Committee will at all times respect the independence and autonomy of all partners including the Borehamwood and Elstree Twin Town Association (BETTA).

Legal Authority

The legal authority to enter into this arrangement is contained within s.144 of the Local Government Act 1972:

“144 Power to encourage visitors and provide conference and other facilities.

(1) A local authority may (either alone or jointly with any other person or body)—

(a) encourage persons, by advertisement or otherwise, to visit their area for recreation, for health purposes, or to hold conferences, trade fairs and exhibitions in their area; and

(b) provide, or encourage any other person or body to provide, facilities for conferences, trade fairs and exhibitions or improve, or encourage any other person or body to improve, any existing facilities for those purposes.

(2) Without prejudice to subsection (1) above, a local authority may contribute to any organisation approved by the Secretary of State for the purposes of this subsection and established for the purpose of encouraging persons to visit the United Kingdom or any part thereof.”

BETTA (Borehamwood and Elstree Twin Town Association)

- i) to work in partnership with BETTA to recommend budgets for Town Twinning purposes and to help to promote and enhance existing twinning relationships with Fontenay-aux-Roses, Offenburg and Shoham.

- ii) to assist BETTA in administering the twinning initiatives (including with trips, publicity and ‘one-off’ exchanges/visits e.g. Mayoral/civic functions and musical performances).

New Town Twinning

- iii) to investigate and, as necessary, report and recommend to the General Management Committee and then to Full Council on any new twinning initiatives.

H) TRANSPORT AND COMMUNITY SAFETY FORUM:

Members: 5 (Quorum is 3). plus 1 Youth Councillor representative

The aims of the Forum are to consider, advise and make recommendations concerning transport and community safety matters relevant to the Elstree and Borehamwood area and to liaise with the relevant authorities on transport and community safety.

- i) To provide a forum for discussion and constructive ideas concerning the provision of public transport services and road safety in Elstree and Borehamwood;
- ii) To listen to both the providers – such as the highway authorities, train operators and bus operators – and the users – eg passenger and pensioner organisations – of these services, and to others with relevant knowledge or interest;
- iii) To consider County and District Plans concerning transportation and safety and their implications for Elstree and Borehamwood.
- iv) To provide a public meeting for discussion and constructive ideas concerning the provision of community safety services and policing in Elstree and Borehamwood;
- v) To make representations to the relevant authorities on national and/or local consultations;
- vi) To raise awareness of services; and
- vii) To assist in the dissemination of information and public education on Community Safety Matters.

Whilst the Town Council has no direct jurisdiction over policing, it does have a power to spend money on crime detection and prevention measures (Local Government and Rating Act 1997, S.31).

I) STAFFING COMMITTEE

Members: 3 (Comprising the General Management Committee Chairman, Councillor), opposing Councillor and the Town Clerk.

Where the Chairmen, Cllr and/or Town Clerk of the above Committees are unavailable, substitute Cllrs and Deputy Town Clerk shall deputise. However, where a grievance or disciplinary case is being heard, the subject of such a hearing is deemed to be unavailable to sit on the Committee but will be asked to attend in line with the Council's policies.

Key Responsibilities: Matters relating to the recruitment and management of the Council's Employees.

Delegated Authority:

- Annual appraisal of Town Clerk
- To review the staffing structure and budget on an annual basis, making recommendations to Council
- To review and authorise amendments to the staffing structure, grades and/or terms and conditions of employees in-year within the salaries budget set by Council or to otherwise make recommendations to Council
- To review and approve personnel related policies and procedures
- To ensure compliance with personnel-related statutory requirements and legislation
- To act as the first stage in grievance or disciplinary hearings
- To make recommendations to Council regarding policy and strategic matters relating to all of the above.

J) APPEALS COMMITTEE

Members: 3 (Comprising the Entertainments Committee Chairman and Environment and Planning Committee Chairman) and the Town Clerk

Where the Chairmen and/or Town Clerk of the above Committees are unavailable, the Vice Chairmen and/or Deputy Town Clerk shall deputise. However, as the Committee deals solely with stage two grievance or disciplinary cases, the subject of such a hearing is deemed to be unavailable to sit on the Committee but will be asked to attend in line with the Council's policies.

Key Responsibilities and Delegated Authority: To act as the second stage in matters relating to disciplinary and grievance cases.

K) COUNCIL:

Council reserves to itself responsibility for:

- i) the making of grants and loans (other than Budgeted Grants determined by the General Management Committee).

- ii) approval of the appointment or termination of employment of the Clerk of the Council; and
- iii) setting the Annual Precept and finalising the Budget.

L) DELEGATED AUTHORITY:

- a)
 - i) All Committees (including the Transport and Community Safety Forum, Sub - Committees and Working Groups and the Youth Council) are responsible to Full Council
 - ii) but all Committees have authority to take executive action on all matters which are within their:
 - Terms of Reference
 - agreed Council policy; and
 - annual budget
 - iii) and to approve expenditure within the Committee's budget heads
 - iv) where the Statutory Power exists to do so, Committees may assign their functions and delegate their powers and duties to a Sub-Committee or a group of their Members or to the Town Clerk, provided that any action taken under delegated powers by the Chairman, Vice-Chairman, Sub-Committee or group of Members is reported to the next meeting of the Committee for information.
- b) The Chairman, or in their absence the Vice-Chairman, of a Committee or Sub-Committee, in consultation with the Clerk of the Council or their nominee:
 - i) may decide, deal with or act on behalf of the Committee or Sub-Committee – whether at its request or because of the urgency of the matter
 - ii) may exercise virement between the Committee's budget heads and report the matter to the next meeting of the Committee or Sub-Committee.
- c) The Town Mayor or, in their absence, the Deputy Town Mayor, in consultation with the Clerk of the Council or their nominee:
 - i) may decide, deal with or act on behalf of the Council –whether at its request or because of the urgency of the matter

- ii) may, in consultation with the Chairman of the relevant Committee – or, in their absence, the Vice-Chairman – decide, deal with or act on behalf of that Committee because of the urgency of the matter, incurring expenditure not provided for within the budget and report the matter to the next meeting of the Council

- d) The Clerk of the Council shall have delegated authority, with agreed policies and budget provision, for the following matters – which, at their discretion, they may further delegate to the Council's senior officers:
 - i) the general management of the Council's services in accordance with the policies of the Council and its Committees
 - ii) the initiation of new arrangements and revision of existing arrangements for the improved management of Council establishments and its day to day management
 - iii) the determination of the use of existing office accommodation, the purchase of equipment and the authorisation of repairs and maintenance of all buildings, property, and equipment
 - iv) the routine investment and re-investment of Council monies at the Bank or other Financial Vehicles in conjunction with the In House Audit Sub-Committee
 - v) the management and letting of the Town Council's facilities (including policies and procedures for such activities in conjunction with advice from Hertfordshire Constabulary and Hertsmere Borough Council Licensing Department)
 - vi) the implementation of non-discretionary adjustments to the conditions of service of the Council's staff
 - vii) the appointment of staff in conjunction with elected members if they so decide
 - viii) the authorisation of staff to attend courses, seminars etc. relevant to their position with the Council and all Staff appraisals other than their own.

<p>Authority: Full Council Meeting: 13 March 2024 Review Body: Full Council Review Period: every 1 year Next Review: March 2025</p>
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CONSTITUTION OF ELSTREE AND BOREHAMWOOD YOUTH COUNCIL



1. ELSTREE AND BOREHAMWOOD YOUTH COUNCIL, TO BE KNOWN AS THE Youth Council, is a Sub-Committee affiliated to Elstree and Borehamwood Town Council.

The Youth Council is an a-political advisory committee. The members may put forward ideas to other council committees or other bodies for further consideration. The full Town Council will consider all relevant reports of the Youth Council.

2. YOUTH COUNCIL REPRESENTATION

The Town Council shall appoint one Town Councillor as representative on the Youth Council and a Council member of staff to act as Youth Council Secretary in order to:

- prepare an advance notice of meeting and its agenda
- writing up of minutes of meeting; and
- to prepare an action sheet that confirms all the actions and tasks to be undertaken by Youth Councillors, Councillors or staff.

Local Schools and Youth Organisations may nominate as many Youth Councillors as they wish, and a Youth Council meeting will decide whether to take the nominations.

3. YOUTH COUNCIL'S RESPONSIBILITIES

Young People

Youth Councillors may raise issues of concern to local young people at meetings of the Council. They should also report back to Schools and Youth Organisations and encourage discussion on the issues dealt with.

Public Service

A core value of the Youth Council is a commitment to Public Service in the Community. This means seeking to help everyone, regardless of background, age or income, to enjoy the benefits of living in the area and in seeking to promote and protect Borehamwood and Elstree.

4. AGE QUALIFICATION

The qualifying age range of a Youth Councillor is from school age entry of year 7 (i.e. age 11 by 1 September) to the 19th birthday of the Member.

5. MEETING CYCLE

Meetings will be held according to an agreed schedule and will normally occur once per month (apart from during periods of examinations/holidays to be agreed as part of the schedule). Committee Meetings will normally occur two weeks prior to Full Youth Council Meeting.

The Annual Meeting (at which the Chair is elected) will usually occur in January of each year.

6. CHAIRPERSON AND VICE CHAIRPERSON

The Chairperson and Vice-Chairperson will be elected to serve for a twelve month period and may be re-elected if within the qualifying age range. The Chair may invite speakers, letting the Youth Council Secretary know in advance.

7. DUTIES OF CHAIRPERSON

The Chairperson or (in their absence) the Vice-Chairperson or other person appointed by the meeting, must preside over the meeting and have control over its procedure for the purpose of keeping good order. They must ensure that the agenda is followed and that the constitution and previous decisions are recognised.

8. MEETING PROCEDURE

Meetings last usually for one hour. Emergency items should be submitted at the opening of a meeting or given to the secretary beforehand. Items for the agenda should ideally be given to the secretary at least one week before a meeting.

The Chairperson of the Youth Council should be addressed as 'Chair'. All discussion should be 'through the chair', even if you are addressing the Councillor sitting next to you. This is to ensure that everyone can hear all discussion.

Quorum – three members shall constitute a quorum. If a quorum is not present when the Youth Council meets, a waiting period of thirty minutes shall be allowed. If a quorum is not then present, the business not transacted at that meeting shall be transacted at the next meeting.

Minutes of Youth Council meetings are sent out after each meeting. They should be checked for accuracy of information, then at the next meeting will be 'agreed' by Councillors and signed by the Chairperson as a 'correct record'. The Minutes of Youth Council meetings will be presented to the next ordinary meeting of the Town Council, when all 'recommendations' of the Youth Council can be discussed and acted upon as the Council decided. Where recommendation were not to be agreed by the next appropriate Full Council, a rationale for its decision would be relayed to the Youth Council.

Proposals and Amendments. If a decision is to be made a proposal is drawn up and must have a proposer and seconder. It can be amended if necessary and eventually a vote is taken. In the event of equal votes for and against, the Chairperson has the casting vote (even if he or she has already voted), but does not have to use it. If the Chairperson does not use the casting vote, this would mean that the motion is not carried, i.e. defeated, but it could be re-submitted.

Voting Members shall vote by show of hands, or, if at least one member so request, and seconded by another member, by secret ballot.

Casting vote will be carried out to reflect that with Full Council as far as it is possible i.e.:

- a In annual election, if the current Chairman of the Youth Council will be leaving the Youth Council, they shall not have an original vote in respect of the election of the new Chairman of the Youth Council but must give a casting vote in the case of an equality of votes.

- b In annual election, if the current Chairman of the Council is remaining on the Youth Council, they may exercise an original vote in respect of the election of the new Chairman of the Council and must give a casting vote in the case of an equality of votes.

Order of Business. At each Annual Meeting (January meeting) the first business shall be to elect a Chairperson and Vice Chairperson. At every meeting other than the Annual Meeting the first business shall be to appoint a Chairperson if the proper elected Chairperson and Vice-Chairperson be absent. After the first business has been completed, the order of business shall be in accordance with the Agenda. No resolution may be moved unless the business to which it relates has been put on the Agenda by the Secretary.

Speeches should be limited to no longer than three minutes.

Apologies for Absence. If you are unable to attend a meeting, or think you may arrive late, you must let the secretary know. 'Phone calls, WhatsApp or txt messages are more reliable than messages sent with other Youth Councillors.

Deciding on Expenditure. When making a decision involving expenditure from the Youth Council's budget, provided at least one Town Councillor is present at the meeting and in agreement - the Youth Council (sitting at meeting, i.e. not through one of its working groups or acting as individuals) may approve expenditure up to £250 where it may lawfully do so either under the provisions of the Local Government Act 1972 or by way of any other Statute which permits expenditure to be made. Where expenditure over £250 is proposed and/or approved to be carried over into the new financial year, the matter will be referred to Full Council together with a written report setting out the reasons. Where no clear agreement can be reached or where there is no consensus - the matter may also be referred to Full Council for consideration.

Should any not be able to attend a Youth Council meeting where budgetary decisions are taking place, the absentee could appoint a substitute for that meeting with authority to vote on their behalf.

9. COUNCIL POLICIES AND PROCEDURES

Where applicable, the Council's agreed policies and procedures will be applicable to the Youth Council. The following policies will always be applicable:

- Data Protection (Youth Councillors will be asked to sign the policy document*).
- Health and Safety Policy Statement

- Safeguarding Policy
- Equality and Diversity Policy
- Social Media Policy

* where a Youth Councillor is below the age of 13 yrs, a parent/guardian would be asked to sign the policy document alongside the Youth Councillor's signature.

10. VISITS/TRIPS

A full list of attendees for external trips/visits should be agreed by the Town Clerk in conjunction with the Youth Council Secretary and notified to all Members, and clearly advertised when open to non-Youth Councillors. Expenses incurred by Youth Council Members would be covered by Youth Council Budget, whereas guests and Town Councillors would meet their own expenses.

Elstree and Borehamwood Town Council

Internal Audit Report 2023-24 (Interim)

Sally King

*For and on behalf of
Auditing Solutions Ltd*

Background

All town and parish councils are required by statute to make arrangements for an independent internal audit examination of their accounting records and system of internal control and for the conclusions to be reported each year in the Annual Return. Auditing Solutions Ltd has provided this service to Elstree and Borehamwood Town Council since 2008-2009 financial year.

This report sets out the work undertaken in relation to the 2023-24 financial year, during our visit to the Council, which took place on 14th December 2023.

Internal Audit Approach

In undertaking our review for the year, we have again had regard to the materiality of transactions and their susceptibility to potential misrecording or misrepresentation in the year-end Statement of Accounts/Annual Return. Our programme of cover has again been designed to afford appropriate assurance that the Council's financial systems remain robust and operate in a manner to ensure effective probity of transactions and to afford a reasonable probability of identifying any material errors or possible abuse of the Council's own and the national statutory regulatory framework. The programme is also designed to facilitate our completion of the 'Internal Audit Report' in the Council's Annual Return, which requires independent assurance over several internal control objectives.

Overall Conclusion

We have concluded that, based on the programme of work undertaken this year to date the Council has again maintained more than adequate and effective internal control arrangements. We are again pleased to acknowledge the quality of records maintained by the Council and thank the Clerk and staff for their assistance, which has ensured the smooth progress of our review process.

Detailed Report

Review of Accounting Arrangements & Bank Reconciliations

Our objective here is to ensure that the accounting records are being maintained accurately and currently and that no anomalous entries appear in cashbooks or financial ledgers. To that end, we have: -

- Ensured that an appropriate coding structure remains in place on the Omega accounting system to meet the needs of the Council's reporting requirements.
- Agreed the year's opening balances on the Omega accounting records to those reported in the closing Statement of Accounts and Annual Return for 2022-23.
- Checked and agreed transactions in the Council's Metro Bank current and business reserve cashbooks to the bank statements to for the month of August 2023.
- Checked detail on the bank reconciliations for those accounts to November 2023 to ensure that no long-standing uncleared cheques or other anomalous entries exist.
- Ensured that the ledgers remain in balance during the year.
- Verbally confirmed the arrangements for the back-up and restoration of the accounting system.

Conclusion

We are pleased to report that there are no issues to date in this area of our review process warranting formal comment or recommendation. Further work will be undertaken at our final visit.

Our objective is to ensure that the Council has robust corporate governance documentation and processes in place, that Council and Committee (where appropriate) meetings are conducted in accordance with the adopted Standing Orders and Financial Regulations, and that, as far as we can ascertain, no actions of a potentially unlawful nature have been or are being considered for implementation. We have consequently: -

- Commenced examination of the minutes of the Full Council and its Standing Committees for the financial year to identify whether any issues exist that may have an adverse effect on the Council's future financial stability.
- Noted that Standing Orders and Financial Regulations were last reviewed and readopted at the Council meeting held on 6th September 2023 (minute ref. 30).
- We have reviewed the external auditor's report, issued since our last visit, to confirm they are raising no matters regarding the Councils accounts and governance.
- We note that The Council is entitled to exercise General power competence. The Council had engaged the services of a Locum after the Clerk left on 16th February 2023. The Deputy Clerk who is also qualified, was promoted to the permanent position as confirmed at the meeting held on 6th September 2023 (minute ref 42).

Conclusions

We are pleased to report that there are no issues to date in this area of our review process warranting formal comment or recommendation. Further work will be undertaken at our final visit.

Review of Expenditure

Our aim here is to ensure that: -

- Council resources are released in accordance with the Council's approved procedures and approved budgets;
- An official order has been raised on each occasion where one would be anticipated;
- Payments are supported by appropriate documentation, either in the form of an original trade invoice or other appropriate form of document confirming the payment as due and/or an acknowledgement of receipt, where no other form of invoice is available;
- All discounts due on goods and services supplied are identified and appropriate action taken to secure the discount;
- The correct expense codes have been applied to invoices when processed;
- VAT has been appropriately identified and coded to the control account for regular quarterly recovery; and
- Noted that VAT Returns have been completed and have been submitted to HMRC electronically.

To ensure compliance with the above criteria, we have examined a selection of all payments individually in excess £2,000, together with a more random sample of every 40th cashbook transaction irrespective of value, 22 payments were selected totalling £60,659.31; this represents 29% of non-pay expenditure to September 2023.

Conclusion

We are pleased to report that there are no issues to date in this area of our review process warranting formal comment or recommendation. Further work will be undertaken at our final visit.

Assessment and Management of Risk

Our aim here is to ensure that the Council has put in place appropriate arrangements to identify all potential areas of risk of both a financial and health and safety nature, whilst also ensuring that appropriate arrangements exist to monitor and manage those risks identified in order to minimise the opportunity for their coming to fruition.

We are pleased to note that the Financial Management Risk Assessment were last reviewed and readopted at the Council meeting held on 14th June 2023 minute ref 17 (ii).

The Council's insurance is provided by Zurich: we have examined the policy schedule for the year to 31st May 2024 to ensure that adequate cover remains in place in respect of the Council's assets.

and that, where applicable, suitable Fidelity Guarantee and Business Interruption / Loss of Revenue protection is also in place: we note that the current cover is £15 million in respect of Public Liability, £10 million in respect of Employers Liability and £1 million in respect of Fidelity Guarantee. We believe these levels of cover to be adequate.

Conclusions

We are pleased to report that no issues have been identified in this area warranting formal comment.

Precept Determination and Budgetary Control

We aim in this area of our work to ensure that the Council has appropriate procedures in place to determine its future financial requirements leading to the adoption of an approved budget and formal determination of the amount to be precepted on the Borough Council, that effective arrangements are in place to monitor budgetary performance throughout the financial year and that the Council has identified and retains appropriate reserve funds to meet future spending plans. meet this objective, we have:

- Noted that the General Management Committee and Council continue to receive regular budget performance reports during the year.

Conclusions

We are pleased to report that no issues have been identified in this area warranting formal comment.

Review of Income

In considering the Council's income streams, we aim to ensure that robust systems are in place to ensure the identification of all income due to the Council from its various sources, to ensure that income is invoiced in a timely manner and that effective procedures are in place to pursue recovery of any outstanding monies due to the Council. The sources of income available to the Council are Hall Hire, Allotments, Ticket Purchase, Adverts and Coach trips.

Conclusions

We are pleased to report that there are no issues to date in this area of our review process warranting formal comment or recommendation. Further work will be undertaken at our final visit.

Petty Cash Account / Credit Cards

The Council now uses a credit card with a prepaid balance for day-to-day purchases. The August 2023 statement was examined as part of our expenditure testing, with no issues arising.

The petty cash account is no longer in operation.

Conclusions

We are pleased to report that no matters arise in this area of our review process warranting formal comment or recommendation.

Salaries and Wages

In examining the Council's payroll function, we aim to confirm that extant legislation is being appropriately observed and the requirements of HM Revenue and Customs (HMRC) as regards the deduction and payment over of income tax and NI contributions, together with meeting the requirements of the local government pension scheme as regards employee contribution percentages now being based on actual salary including overtime rather than on the Whole Time Equivalent salary. To meet this objective, we have examined the August 2023 salary documentation as below:

- Reviewed the Council's payroll procedures.
- Noted that the payroll continues to be outsourced to Hertfordshire Borough Council.
- Confirmed that staff net pay, Tax / NI and Superannuation totals have been properly paid to Employees and relevant agencies accurately and in a timely manner.
- Checking that staff gross pay is calculated accordingly by reference to the approved NJC pay scales.
- Checking to ensure that the appropriate percentage superannuation deductions have been applied in accord with the updated salary bandings where applicable; and
- Reconciling the net pay and employer's "on costs" to that recharged by the bureau provider.

Conclusions

We are pleased to report that no issues have been identified in this area warranting formal comment.

Investments and Loans

Our objectives here are to ensure that the Council is investing "surplus funds", be they held temporarily or on a longer term basis, in appropriate banking and investment institutions, that an appropriate investment policy is in place, that the Council is obtaining the best rate of return on any such investments made, that interest earned is brought to account correctly and appropriately in the accounting records and that any loan repayments due to or payable by the Council are transacted in accordance with the relevant loan agreements. We note: -

- The Council has not issued any loans to third parties during 2023-24 financial year, and has not taken out any loans.
- The Council has an Investment Policy in situ, last reviewed in 2023.

Conclusions

We are pleased to report that no issues have been identified in this area, warranting further comment.

Asset Register

The Governance and Accountability Manual requires all councils to develop and maintain a register of assets identifying detail of all land, buildings, vehicles, furniture, and equipment owned by the Council.

We are pleased to note that the Council maintains the asset register on RBS software.

Conclusions

We are pleased to report that there are no significant issues arising in this area of our review process warranting formal comment or recommendation to date. We will ensure the appropriate recording of these assets in the AGAR at our final visit.