

Finance & General Purposes Committee Meeting 12.06.23.

RISK ASSESSMENTS - 2023

The Town Council uses an updated version of Local Council Risk Assessment (LCRS) software program that was originally installed to help identify and address a small number of potential risks.

The program now covers up to 50 risk areas from allotments to websites identifying 300+ potential risks facing local councils. Some risk areas such as burial grounds and cemeteries do not apply to New Milton and are discounted. For 2023-24, some 50 risks were identified.

This latest Risk Assessment review was undertaken by the Town Clerk for 31.03.23. The likelihood of each risk arising and the impact on the council were considered in turn. New risk areas include Community Centres (youth clubs), Markets (+Car Boots), Public Toilets and Signs.

By way of exception reporting 27 main risk areas are highlighted below:

1. Allotments – Covering inspection of 5 allotment sites & over 100 plots.
2. Bonfires – Public safety, control of numbers attending events via SAG.
3. Bus Services – Ensure alternative service to CANGO in-situ 01.06.23.
4. Bus Shelters – Ensure cleanliness plus ongoing repair & maintenance.
5. Car Parks – Reduce fly-tipping / ensure safety NMTC gravel car parks.
6. Commons – Ensure safe grazing, maintaining security of open access.
7. Computing - Homeworking protocol introduced as & when appropriate.
8. Data Protection –GDPR compliance / ongoing system security checks.
9. Flooding – Minimise risk, work with Environment Agency NFDC / NPA.
10. Staffing - Resource maintained with new TDM and Youth Co-ordinator.
11. Governance – General Power of Competence (GPC) is being retained.
12. Land – Protect all Sites of Importance for Nature Conservation (SINC).
13. Land – Long Meadow proper now has Village Green status protection.
14. Meetings – Duty to hold meetings and adhere to Equality Diversity Act
15. Shelters & Seats - Phased replacement of all bus shelters is on-going.
16. Recs – Reporting ASB / vandalism via New Forest Safety Partnership.
17. MUGA / Rec areas – Ensure adequate security measures are in place.
18. Play Areas – Ensure adequate and regular inspections are carried out.
19. Community Facilities – Plan / provide new youth / family HUB facilities.
20. Skatepark – Multi-agency approach to tackling problems with ASB, etc
21. Insurance – Ensure all assets and potential risks have adequate cover.
22. Car Boots – Employ Supervisor to oversee risk on behalf of operators.
23. Investments – Including review of Quilter Cheviot investment of £250k.
24. Youth Club – Ensure continuation of weekly youth service on the Rec.
25. Succession Planning – Plans are in hand for key members of the staff.
26. Town Development Manager - Recently appointed following handover.
27. Youth Co-ordinator – Remit to co-ordinate others and run youth clubs.

RECOMMENDED:

Town Council adopts the Risk Assessments for 2023-24.

New Milton Town Council

Unaudited Financial Statements

For the year ended 31 March 2023

New Milton Town Council

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31 March 2023

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New Milton Town Council

Council Information

31 March 2023

(Information current at 26th June 2023)

Chairman

Cllr D. E. Hawkins

Councillors

Cllr K. E. Craze (Vice Chairman)

Cllr J. Adams

Cllr C. Baker

Cllr J. Baker

Cllr G. R. Blunden

Cllr S. J. Clarke

Cllr M. Craze

Cllr S. P. Davies

Cllr W. Davies

Cllr P. Moores

Cllr R. Murrow

Cllr A. D. O'Sullivan

Cllr R. A. Reid

Cllr D. A. Rice-Mundy

Cllr V. E. Schooling

Cllr M. Scott-Johns

Cllr D. N. Tugate

Clerk to the Council

Mr G. P. Flexman MBA MSc DMS CILCA

Auditors

BDO LLP

Arcadia House

Maritime Walk

Ocean Village

Southampton

SO14 3TL

Internal Auditors

Auditing Solutions Limited

Clackerbrook Farm

46 The Common

Bromham

Chippenham

Wiltshire

SN15 2JJ

New Milton Town Council

Statement of Responsibilities

31 March 2023

The Council's Responsibilities

The council is required:

- to make arrangements for the proper administration of its financial affairs
- to secure that one of its officers (R.F.O.) has the responsibility for the administration of those affairs. At this council that officer is the Clerk to the Council, and
- to manage its affairs to secure economic, efficient and effective use of resources and safeguard its assets.

The Responsible Financial Officer's Responsibilities

The R.F.O. is responsible for the preparation of the council's Unaudited Financial Statements in accordance with Part 4 of the "Governance and Accountability for Local Councils – A Practitioners Guide (England) (as amended)" (the guide), so far as is applicable to this council, to present a true and fair view of the financial position of the council at 31 March 2023 and its income and expenditure for the year then ended.

In preparing the Unaudited Financial Statements, the R.F.O. has:

- selected suitable accounting policies and then applied them consistently
- made judgements and estimates that were reasonable and prudent, and
- complied with the guide.

The R.F.O. has also:

- kept proper accounting records, which were up to date, and
- taken reasonable steps for the prevention and detection of fraud and other irregularities.

Responsible Financial Officer's Certificate

I further certify that the Unaudited Financial Statements present a true and fair view of the financial position of New Milton Town Council at 31 March 2023, and its income and expenditure for the year ended 31 March 2023.

Signed:

Mr G. P. Flexman MBA MSc DMS CiLCA- Clerk to the Council

Date:

New Milton Town Council
Statement of Accounting Policies
31 March 2023

Auditors

The name and address of the External Auditors is provided for information only.

These Statements are not subject to audit and the External Auditors have no responsibility for them.

Accounting Convention

The accounts have been prepared in accordance with the Financial Reporting Standard for Smaller Entities (effective April 2008) (FRSSE) issued by the Accounting Standards Board, as applied to Local Councils by part 4 of Governance and Accountability for Local Councils – A Practitioners Guide (England) (the guide). Comparative figures have been restated to conform to the revised formats where appropriate. Certain requirements have been omitted for clarity and simplicity as these statements are not subject to audit. They are produced in support of the council's audited Statement of Accounts contained within the Annual Return Statement of Accounts.

These accounts have been prepared having regard to the fundamental accounting concepts of: Going Concern, Prudence, Accruals, Relevance, Consistency, Reliability, Comparability, Understandability and Materiality.

The accounts have been prepared under the historical cost convention.

Fixed Assets

All expenditure in excess of £1000 (on any one item or group of similar items) on the acquisition, creation or enhancement of fixed assets is capitalised on an accruals basis in the accounts. Expenditure on fixed assets is capitalised, provided that the fixed asset yields benefits to the authority and the services it provides, for a period of more than one year. Fixed assets are valued on the basis recommended by the Chartered Institute of Public Finance and Accountancy (CIPFA) and in accordance with the statements of asset valuation principles and guidance notes issued by the Royal Institution of Chartered Surveyors (RICS). The closing balances are stated on the following basis:

land and buildings are included in the balance sheet at Depreciated Replacement Cost (DRC). The DRC basis of valuation requires an estimate of the value of the land in its existing use, together with the current replacement cost of the building and its external works, from which appropriate deductions have been made to reflect the age, condition, economic, functional and environmental obsolescence and other locational factors which might result in the existing building being worth less than a new replacement building,

all other assets are included in the balance sheet at the lower of cost (estimated where not known) or estimated realisable value, except that,

certain community assets are the subject of restrictive covenants as to their use and/or future disposal. Such assets are therefore considered to have no appreciable realisable value and are included at nominal value only.

The surplus or deficit arising on periodic revaluations of fixed assets has been credited or debited to the Revaluation Reserve. Subsequent revaluations of fixed assets are planned at five yearly intervals, although material changes to asset valuations will be adjusted in the interim period, should they occur.

In accordance with Financial Reporting Standard (FRS) 15, depreciation is provided on all operational buildings (but not land), as well as other assets.

New Milton Town Council
Statement of Accounting Policies
31 March 2023

Depreciation Policy

Buildings and leasehold land are depreciated over the shorter of 50 years or the anticipated remaining useful lives on a straight line basis.

Freehold land is not depreciated.

Non Operational Assets (including Investment Properties) are not depreciated.

Vehicles, plant, equipment and furniture are depreciated over 4 to 15 years on a straight line basis.

Play equipment is depreciated over 15 years on a straight line basis.

Infrastructure assets are depreciated over 15 years on a straight line basis.

Community assets are not depreciated because they are of intrinsic or purely nominal value.

Depreciation is accounted for as a Balance Sheet movement only, not through the Income and Expenditure Account.

Grants or Contributions from Government or Related Bodies

Capital Grants

Where a fixed asset has been acquired or improved with the financing either wholly or in part by a grant or contribution from government or a related body, e.g. Sports Council, the amount of the grant has been credited to Deferred Grants Account and carried forward. Grants so credited are released back to revenue over the life of the asset to match, and thereby offset wholly or in part, depreciation charged.

Revenue Grants

Revenue grants are credited to income when conditions attached thereto have been fulfilled and/or equivalent expenditure has been incurred. Grants received in respect of which the conditions have not been fulfilled, or expenditure incurred, are carried forward as deferred revenue grants.

Investments

Investments are included in the balance sheet at historic cost and realised gains or losses are taken into the income and expenditure account as realised. Details are given at notes 13 and 15.

Debtors and Creditors

The revenue accounts of the council are maintained on an accruals basis in accordance with the regulations. That is sums due to or from the council during the year are included whether or not the cash has actually been received or paid in the year. Exceptions to this are payment of regular quarterly and other accounts (e.g. telephones, electricity). This policy is applied consistently each year. Therefore, it will not have a material effect on the year's accounts or on the council's annual budget.

The council reviews the level of its commercial debtors on a regular basis and provisions are made, as required, where the likelihood of amounts proving ultimately collectable is in doubt.

Value Added Tax

Income and Expenditure excludes any amounts related to VAT, as all VAT suffered/collected is recoverable from or payable to HM Revenue and Customs. Any amounts not so recoverable are treated as a separate expense.

New Milton Town Council
Statement of Accounting Policies
31 March 2023

External Loan Repayments

The council has no long term borrowing. Consequently, there were no external loan repayments made in the year.

Leases

The council has no commitments under finance leases. Rentals payable under operating leases are charges to revenue on an accruals basis.

Reserves

The council maintains certain reserves to meet general and specific future expenditure. The purpose of the council's reserves is explained in notes 18 to 21.

Certain reserves are maintained to manage the accounting processes for tangible fixed assets, available for sale investments and retirement benefits. They do not represent usable resources for the council:

Capital Financing Account – represent the council's investment of resources in such assets already made.

Interest Income

All interest receipts are credited initially to general funds.

Cost of Support Services

The costs of management and administration have been apportioned to services on an appropriate and consistent basis.

Pensions

The pension costs that are charged against precept in the council's accounts, in respect of its employees, are equal to the contributions paid to the funded pension scheme for those employees.

These contributions are determined by the fund's actuary on a triennial basis and are set to meet 100% of the liabilities of the pension fund, in accordance with relevant government regulations.

The next actuarial valuation is due on 31st March 2025 and any change in contribution rates as a result of that valuation will take effect from 1st April 2026.

New Milton Town Council
Income and Expenditure Account
31 March 2023

	Notes	2023 £	2022 £
Income			
Precept on District Council		1,186,500	1,130,212
Grants Receivable		290,644	5,866
Rents Receivable, Interest & Investment Income		18,013	4,431
Charges made for Services		128,358	90,954
Other Income		42,769	42,905
Total Income		1,666,284	1,274,368
Expenditure			
Direct Service Costs:			
Salaries & Wages		(296,281)	(298,368)
Grant-aid Expenditure		(23,315)	(18,947)
Other Costs	1	(483,987)	(494,945)
Democratic, Management & Civic Costs:			
Salaries & Wages		(281,935)	(263,032)
Other Costs	1	(174,383)	(155,205)
Total Expenditure		(1,259,901)	(1,230,497)
Excess of Income over Expenditure for the year.		406,383	43,871
Exceptional Items			
(Loss)/Profit on the disposal of fixed assets		-	1,500
Investment Profits		3,547	11,057
Net Operating Surplus for Year		409,930	56,428
STATUTORY CHARGES & REVERSALS			
Capital Expenditure charged to revenue	11	(259,307)	(53,556)
Investments purchased from revenue	13	(9,684)	-
Reverse profit on asset disposals		-	(1,500)
Reverse (Profits) on investment disposals		(3,547)	(11,057)
Transfer (to)/from Earmarked Reserves	21	(168,027)	40,566
(Deficit) for the Year (from) General Fund		(30,635)	30,881
Net Surplus/(Deficit) for the Year		137,392	(9,685)
The above Surplus/(Deficit) for the Year has been applied/(funded) for the Year to/(from) as follows:			
Transfer (to)/from Earmarked Reserves	21	168,027	(40,566)
(Deficit) for the Year (from) General Fund		(30,635)	30,881
		137,392	(9,685)

The council had no other recognisable gains and/or losses during the year.

The notes on pages 12 to 20 form part of these unaudited statements.

New Milton Town Council
Statement of Movement in Reserves
31 March 2023

Reserve	Purpose of Reserve	Notes	2023	Net Movement	2022
			£	in Year	£
				£	
Capital Financing Account	Store of capital resources set aside to purchase fixed assets	18	2,620,362	147,817	2,472,545
Investment Financing Account	Store of capital resources set aside to purchase investments	19	259,605	27,877	231,728
Usable Capital Receipts	Proceeds of fixed assets sales available to meet future capital investment	20	850	(14,646)	15,496
Earmarked Reserves	Amounts set aside from revenue to meet general and specific future expenditure	21	393,280	168,027	225,253
General Fund	Resources available to meet future running costs		351,176	(30,635)	381,811
Total			3,625,273	298,440	3,326,833

The notes on pages 12 to 20 form part of these unaudited statements.

New Milton Town Council

Balance Sheet

31 March 2023

	Notes	2023 £	2023 £	2022 £
Fixed Assets				
Tangible Fixed Assets	10		3,156,632	3,040,629
Long Term Assets				
Investments Other Than Loans	13		259,605	231,728
Current Assets				
Debtors and prepayments	14	65,643		76,438
Investments	15	500,000		500,000
Cash at bank and in hand		<u>310,392</u>		<u>166,055</u>
		876,035		742,493
Current Liabilities				
Creditors and income in advance	16	<u>(125,178)</u>		<u>(114,382)</u>
Net Current Assets			<u>750,857</u>	<u>628,111</u>
Total Assets Less Current Liabilities			4,167,094	3,900,468
Deferred Grants	17		(541,821)	(573,635)
Total Assets Less Liabilities			<u>3,625,273</u>	<u>3,326,833</u>
Capital and Reserves				
Capital Financing Reserve	18		2,620,362	2,472,545
Investments Financing Reserve	19		259,605	231,728
Usable Capital Receipts Reserve	20		850	15,496
Earmarked Reserves	21		393,280	225,253
General Reserve			<u>351,176</u>	<u>381,811</u>
			<u>3,625,273</u>	<u>3,326,833</u>

The Unaudited Financial Statements represent a true and fair view of the financial position of the Council as at 31 March 2023, and of its Income and Expenditure for the year.

These accounts were approved by the Council on 26th June 2023 .

Signed:

Cllr D. E. Hawkins
Chairman

.....

Mr G. P. Flexman MBA MSc DMS CiLCA
Responsible Financial Officer

Date:

.....

The notes on pages 12 to 20 form part of these unaudited statements.

New Milton Town Council

Cash Flow Statement

31 March 2023

	Notes	2023 £	2023 £	2022 £
REVENUE ACTIVITIES				
<i>Cash outflows</i>				
Paid to and on behalf of employees		(579,304)		(556,562)
Other operating payments		(670,754)		(682,985)
		-		-
			(1,250,058)	(1,239,547)
<i>Cash inflows</i>				
Precept on District Council		1,186,500		1,130,212
Cash received for services		184,364		153,569
Revenue grants received		290,644		5,866
			1,661,508	1,289,647
Net cash inflow from Revenue Activities	24		411,450	50,100
SERVICING OF FINANCE				
<i>Cash inflows</i>				
Interest received		11,684		464
Investment Income		4,839		3,766
Net cash inflow from Servicing of Finance			16,523	4,230
CAPITAL ACTIVITIES				
<i>Cash outflows</i>				
Purchase of fixed assets		(265,807)		(56,116)
Purchase of investments		(69,099)		(42,483)
<i>Cash inflows</i>				
Sale of investments		44,770		57,845
Sale of fixed assets		-		1,500
Capital grant received		6,500		-
Net cash (outflow)/inflow from Capital Activities			(283,636)	(39,254)
Net cash inflow before Financing			144,337	15,076
FINANCING AND LIQUID RESOURCES				
(Increase) in money on call			-	(299,319)
			-	-
Net cash (outflow) from financing and liquid resources			-	(299,319)
Increase/(Decrease) in cash	25		144,337	(284,243)

The notes on pages 12 to 20 form part of these unaudited statements.

New Milton Town Council

Notes to the Accounts

31 March 2023

1 Other Costs Analysis

Other Costs reported in the council's Income and Expenditure Account comprise the following:

Direct Service Costs

	2023	2022
	£	£
Outdoor Sports & Recreation Facilities	173,894	254,390
Community Parks & Open Spaces	102,115	57,717
Allotments	5,083	2,539
Community Safety (Crime Reduction)	-	5,128
Promotion & Marketing of the Area	169,656	168,469
Community Development	46,309	20,411
Roads & Street Furniture	8,515	3,373
Investment Activities	1,730	1,865
Less: Grant-aid Expenditure	(23,315)	(18,947)
Total	483,987	494,945

Democratic, Management & Civic Costs

	2023	2022
	£	£
Corporate Management	155,104	135,895
Democratic Representation & Management	1,340	-
Civic Expenses	209	1,792
Mayors Allowance	2,181	142
Members' Allowances	15,549	17,376
Total	174,383	155,205

As reported in the Statement of Accounting Policies, apportionment of central costs is not reflected in the above analysis.

2 Interest and Investment Income

	2023	2022
	£	£
Interest Income - General Funds	13,174	665
Investment Income	4,839	3,766
	18,013	4,431

New Milton Town Council

Notes to the Accounts

31 March 2023

3 Agency Work

During the year the Council undertook no agency work on behalf of other authorities.

During the year the Council commissioned no agency work to be performed by other authorities.

4 Related Party Transactions

The council entered into no material transactions with related parties during the year.

5 Audit Fees

The council is required to report and disclose the cost of services provided by its external auditors.

These may be summarised as follows:

	2023	2022
	£	£
Fees for statutory audit services	2,100	2,000
Total fees	<u>2,100</u>	<u>2,000</u>

6 General Power of Competence

With effect from 19th May 2015 New Milton Town Council acquired the right to exercise the General Power of Competence extended to Town and Parish Councils under the Localism Act 2011 by S.I. 2012 No 965 (The Parish Councils (General Power of Competence) (Prescribed Conditions) Order 2012). Therefore, with effect from 19th May 2015 the council no longer exercises the powers conveyed by Section 137 of the Local Government Act 1972 (as amended).

7 Members' Allowances

	2023	2022
	£	£
Members of Council have been paid the following allowances for the year:		
Mayors Allowance	2,181	142
Members' Allowances	15,549	17,376
	<u>17,730</u>	<u>17,518</u>

8 Employees

The average weekly number of employees during the year was as follows:

	2023	2022
	Number	Number
Full-time	10	10
Part-time	4	4
Temporary	2	2
	<u>16</u>	<u>16</u>

All staff are paid in accordance with nationally agreed pay scales.

New Milton Town Council

Notes to the Accounts

31 March 2023

9 Pension Costs

The council participates in the Hampshire County Council Pension Scheme. The Hampshire County Council Pension Scheme is a defined benefit scheme, but the council is unable to identify its share of the underlying assets and liabilities because all town and parish councils in the scheme pay a common contribution rate.

The cost to the council for the year ended 31 March 2023 was £90,748 (31 March 2022 - £80,760).

The most recent actuarial valuation was carried out as at 31st March 2023, and the council's contribution rate is confirmed as being 21.40% of employees' employees' pay, plus a lump sum of £0 with effect from 1st April 2023 (year ended 31 March 2023 – 21.40%, , plus a lump sum of £0).

Financial Reporting Standard 17 (FRS17): "Retirement Benefits" sets out accounting requirements for pension costs. For schemes such as Hampshire County Council Pension Scheme, paragraph 9(b) of FRS17 requires the council to account for pension costs on the basis of contributions actually payable to the scheme during the year.

10 Tangible Fixed Assets

	Operational Freehold Land and Buildings	Vehicles and Equipment	Infra-structure Assets	Community Assets	Total
Cost	£	£	£	£	£
At 31 March 2022	4,079,890	853,312	214,436	112,442	5260080
Additions	52,470	170,065	43,272	-	265,807
At 31 March 2023	4,132,360	1,023,377	257,708	112,442	5,525,887
Depreciation					
At 31 March 2022	(1,477,937)	(611,762)	(129,752)	-	(2,219,451)
Charged for the year	(81,799)	(52,726)	(15,279)	-	(149,804)
At 31 March 2023	(1,559,736)	(664,488)	(145,031)	-	(2,369,255)
Net Book Value					
At 31 March 2023	2,572,624	358,889	112,677	112,442	3,156,632
At 31 March 2022	2,601,953	241,550	84,684	112,442	3,040,629

Although classified as capital expenditure, certain minor equipment purchases are not included in the above as they are not material in overall value.

Fixed Asset Valuation

The freehold and leasehold properties that comprise the council's properties have been valued as at 31st March 2002 by external independent valuers, Messrs Zurich Municipal Insurance. Valuations have been made on the basis set out in the Statement of Accounting Policies, except that not all properties were inspected. This was neither practical nor considered by the valuer to be necessary for the purpose of valuation. Plant and machinery that form fixtures to the building are included in the valuation of the building.

Assets Held under Finance Agreements

The council holds no such assets

New Milton Town Council

Notes to the Accounts

31 March 2023

11 Financing of Capital Expenditure

	2023	2022
	£	£
The following capital expenditure during the year:		
Fixed Assets Purchased	265,807	55,056
	<hr/> 265,807	<hr/> 55,056
was financed by:		
Capital Receipts	-	1,500
Capital Grants	6,500	-
Revenue:		
Capital Projects Reserve	34,398	-
Precept and Revenue Income	224,909	53,556
	<hr/> 265,807	<hr/> 55,056

12 Information on Assets Held

Fixed assets owned by the council include the following:

Operational Land and Buildings

6 Pavilions at 4 recreation grounds

Workshops and stores

Vehicles and Equipment

Light Vans

Play Equipment at 7 sites

Skatepark

Sundry grounds maintenance equipment

Sundry office equipment

Infrastructure Assets

Lighting and Floodlighting

Trail bollards

Jubilee Wall

Multi-use games area

Other street furniture

Community Assets

Allotments – 5 sites

Recreation grounds – 5

Play areas and open spaces

War Memorial

Council Artifacts & Regalia

New Milton Town Council

Notes to the Accounts

31 March 2023

13 Investments

	Investments Other Than Loans
Cost	£
At 01 April 2022	231,729
Additions	69,099
Disposals	(41,223)
At 31 March 2023	<u>259,605</u>
Amounts Written Off	
At 31 March 2023	<u>-</u>
Net Book Value	
At 31 March 2023	<u>259,605</u>
	<u>259,605</u>
At 01 April 2022	<u>231,729</u>
	<u>231,729</u>

At 31 March 2023 the investments included above at a cost of £259,605 had a market value of £272,376 (31 March 2022 - £271,850).

14 Debtors

	2023	2022
	£	£
Debtors	39,308	49,762
Provision for Doubtful Debts	-	(1,088)
Trade Debtors	39,308	48,674
VAT Recoverable	18,072	18,605
Other Debtors	-	(1)
Prepayments	1,475	391
Accrued Income	5,097	8,568
Accrued Interest Income	1,691	201
	<u>65,643</u>	<u>76,438</u>

15 Current Asset Investments

	2023	2022
	£	£
CCLA PSDF ACCOUNT	<u>500,000</u>	<u>500,000</u>
	<u>500,000</u>	<u>500,000</u>

New Milton Town Council

Notes to the Accounts

31 March 2023

16 Creditors and Accrued Expenses

	2023	2022
	£	£
Trade Creditors	79,240	42,171
Other Creditors	262	260
Superannuation Payable	9,789	8,528
Payroll Taxes and Social Security	10,404	12,752
Accruals	11,143	36,732
Income in Advance	5,296	4,895
Capital Creditors	9,044	9,044
	<hr/>	<hr/>
	125,178	114,382
	<hr/>	<hr/>

17 Deferred Grants

	2023	2022
	£	£
Capital Grants Unapplied		
At 01 April	5,551	5,551
Grants received in the year	6,500	-
Applied to finance capital investment	(6,500)	-
At 31 March	<hr/>	<hr/>
	5,551	5,551
Capital Grants Applied		
At 01 April	568,084	606,268
Grants Applied in the year	6,500	-
Released to offset depreciation	(38,314)	(38,184)
At 31 March	<hr/>	<hr/>
	536,270	568,084
Total Deferred Grants		
At 31 March	<hr/>	<hr/>
	541,821	573,635
At 01 April	<hr/>	<hr/>
	573,635	611,819
	<hr/>	<hr/>

Capital Grants are accounted for on an accruals basis and grants received have been credited to Deferred Grants Account. Amounts are released from the Deferred Grants Account to offset any provision for depreciation charged to revenue accounts in respect of assets that were originally acquired with the assistance of such grants.

New Milton Town Council

Notes to the Accounts

31 March 2023

18 Capital Financing Account

	2023	2022
	£	£
Balance at 01 April	2,472,545	2,512,170
Financing capital expenditure in the year		
Additions - using capital receipts	-	1,500
Additions - using revenue balances	259,307	53,556
Disposal of fixed assets	-	(2,305)
Depreciation eliminated on disposals	-	2,305
Reversal of depreciation	(149,804)	(132,865)
Deferred grants released	38,314	38,184
Balance at 31 March	<u>2,620,362</u>	<u>2,472,545</u>

The Capital Financing 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.

19 Financial Instruments Financing Account

	2023	2022
	£	£
Balance at 01 April	231,728	236,033
Financing Investment Purchases in the year		
Additions - using capital receipts	59,416	42,483
Additions - using revenue balances	9,684	-
Disposal of investments	(41,223)	(46,788)
Balance at 31 March	<u>259,605</u>	<u>231,728</u>

The Financial Instruments Financing Account represents revenue and capital resources applied to finance the purchase of Available for Sale Investments, less provisions for losses below the original cost of the applicable investment, and the entries necessary to adjust loans made at less than market rates of interest to a Fair Value as reported in the Balance Sheet. It does not represent a reserve that the council can use to support future expenditure.

20 Usable Capital Receipts Reserve

	2023	2022
	£	£
Balance at 01 April	15,496	134
Capital receipts (asset sales) during the year	-	1,500
Capital receipts (investment sales)	44,770	57,845
<i>Less:</i>		
Capital used to fund expenditure	(59,416)	(43,983)
Balance at 31 March	<u>850</u>	<u>15,496</u>

The Usable Capital Receipts Reserve represents capital receipts available to finance capital expenditure in future years.

New Milton Town Council

Notes to the Accounts

31 March 2023

21 Earmarked Reserves

	Balance at 01/04/2022	Contribution to reserve	Contribution from reserve	Balance at 31/03/2023
	£	£	£	£
Capital Projects Reserves	22,967	365,398	(125,398)	262,967
Asset Renewal Reserves	-	-	-	-
Other Earmarked Reserves	202,286	86,506	(158,479)	130,313
Total Earmarked Reserves	225,253	451,904	(283,877)	393,280

The Capital Projects Reserves are credited with amounts set aside from revenue to part finance specific projects which are part of the council's capital programme.

The Other Earmarked Reserves are credited with amounts set aside from revenue to fund specific known commitments of the council.

The Other Earmarked Reserves at 31 March 2023 are set out in detail at Appendix A.

22 Capital Commitments

The council had no other capital commitments at 31 March 2023 not otherwise provided for in these accounts.

23 Contingent Liabilities

The council is not aware of any contingent liabilities at the date of these accounts.

24 Reconciliation of Revenue Cash Flow

	2023	2022
	£	£
Net Operating Surplus for the year	406,383	43,871
Add/(Deduct)		
Interest and Investment Income	(16,523)	(4,230)
Decrease in debtors	10,795	44,307
Increase/(Decrease) in creditors	10,795	(33,848)
Revenue activities net cash inflow	411,450	50,100

New Milton Town Council

Notes to the Accounts

31 March 2023

25 Movement in Cash

	2023	2022
	£	£
Balances at 01 April		
Cash with accounting officers	212	18
Cash at bank	165,843	450,280
	<u>166,055</u>	<u>450,298</u>
Balances at 31 March		
Cash with accounting officers	222	212
Cash at bank	310,170	165,843
	<u>310,392</u>	<u>166,055</u>
Net cash inflow/(outflow)	<u>144,337</u>	<u>(284,243)</u>

26 Post Balance Sheet Events

There are no significant Post Balance Sheet events since the preparation of these accounts, up to the date of their final adoption (on 26th June 2023), which would have a material impact on the amounts and results reported herein.

New Milton Town Council

Appendices

31 March 2023

	<u>Balance at</u> <u>01/04/2022</u>	<u>Contribution</u> <u>to reserve</u>	<u>Contribution</u> <u>from reserve</u>	Appendix A <u>Balance at</u> <u>31/03/2023</u>
	£	£	£	£
<u>Capital Project Reserves</u>				
Fernhill Lane	150,000			150,000
Land Purchase	0	100,000		100,000
Developers Contribution	109,000			109,000
Developers Cont'n Res -Ashley	0	265,398	(125,398)	140,000
Funds Invested (and expensed)	(236,033)			(236,033)
	<u>22,967</u>	<u>365,398</u>	<u>(125,398)</u>	<u>262,967</u>
<u>Asset Replacement Reserves</u>				
Machinery Replacement	0			0
	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
<u>Other F earmarked Reserves</u>				
P J Kain Legacy	5,000			5,000
Elections	10,473	15,000		25,473
Council Offices	25,917	25,000	(25,197)	25,720
Dementia Allotmant	0	3,300		3,300
Youth Work	0	12,000		12,000
Community Infrastructure Levy 2016-17	25,328		(25,328)	(0)
Community Infrastructure Levy 2017-18	15,168		(15,168)	0
Community Infrastructure Levy 2018-19	20,327		(20,327)	0
Community Infrastructure Levy 2019-20	57,218		(57,218)	0
Community Infrastructure Levy 2020-21	25,879		(15,241)	10,638
Community Infrastructure Levy 2021-22	16,976	11,834		28,810
Community Infrastructure Levy 2022-23	0	19,372		19,372
	<u>202,286</u>	<u>86,506</u>	<u>(158,479)</u>	<u>130,313</u>
TOTAL EARMARKED RESERVES	<u>225,253</u>	<u>451,904</u>	<u>(283,877)</u>	<u>393,280</u>

New Milton Town Council

31 March 2023

Annual Report Tables

Table. 1 – Budget & Actual Comparison

	Budget £	Actual £
Net Expenditure		
Recreation & Sport	58,645	111,046
Open Spaces	23,238	(209,311)
Community Safety (Crime Reduction)	5,500	-
Planning & Development Services (including Markets)	488,181	474,709
Highways Roads (Routine)	666	6,407
Investment Activities	-	1,730
Net Direct Services Costs	<u>576,230</u>	<u>384,581</u>
Corporate Management	445,222	394,270
Democratic & Civic	29,500	19,279
Net Democratic, Management and Civic Costs	<u>474,722</u>	<u>413,549</u>
Interest & Investment Income	-	(18,013)
Capital Expenditure	150,000	328,407
Proceeds of Disposal of Capital Assets	-	(44,770)
Transfers to/(from) other reserves	-	153,381
(Deficit from) General Reserve	<u>(14,452)</u>	<u>(30,635)</u>
Precept on District Council	<u>1,186,500</u>	<u>1,186,500</u>

New Milton Town Council

31 March 2023

Annual Report Tables

Table. 2 – Service Income & Expenditure

Notes	2023 £	2023 £	2023 £	2022 £
	Gross Expenditure	Income	Net Expenditure	Net Expenditure
CULTURAL & RELATED SERVICES				
Recreation & Sport	173,894	(62,848)	111,046	199,333
Open Spaces	107,198	(316,509)	(209,311)	37,569
ENVIRONMENTAL SERVICES				
Community Safety (Crime Reduction)	-	-	-	5,128
PLANNING & DEVELOPMENT SERVICES				
Economic Development (including markets)	465,937	(13,291)	452,646	460,259
Community Development	46,309	(24,246)	22,063	14,545
HIGHWAYS, ROADS & TRANSPORT SERVICES				
Highways Roads (Routine)	8,515	(2,108)	6,407	(3,259)
OTHER SERVICES				
Investment Activities	1,730	-	1,730	1,865
CENTRAL SERVICES				
Corporate Management	437,039	(42,769)	394,270	356,022
Democratic & Civic	1,340	-	1,340	-
Civic Expenses	17,939	-	17,939	19,310
Net Cost of Services	1,259,901	(461,771)	798,130	1,090,772



New Milton Town Council

Internal Audit Report 2022-23 (final-update)

*Claire Lingard
Consultant Auditor*

*For and on behalf of
Auditing Solutions Ltd*

Background

Statute requires all town and parish councils to arrange 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.

This report sets out the work undertaken in relation to the Internal Audit process for the 2022-23 financial year; the Interim review of the 7th and 8th November 2022 and the Final Update review which took place on the 6th and 7th June 2023. Both reviews were undertaken onsite, at the Town Council's offices.

Internal Audit Approach

In concluding 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 contained within the Annual Governance and Accountability Return (AGAR). Our programme of cover is designed to afford appropriate assurance that the Council has appropriate and robust financial systems in place that 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' as part of the Council's AGAR process, which requires independent assurance over a number of internal control objectives.

Overall Conclusions

We have followed up the suggestions and formal recommendations made in our FY2021-22 reports and acknowledge that the members have noted and considered these in their deliberations and have implemented these as appropriate. The Council has continued to make significant business processes and performance improvements, and report that, on the basis of the work undertaken to date in the current year, the Council continues to operate robust and effective internal controls in all areas examined to date. Resultantly, only two recommendations for improvement have been made which are detailed in the main body of this report and the appended Action Plan.

We have noted that the Council has continued to keep public health matters in mind as the country emerges from the Covid situation. The Clerk/RFO and his team are again to be complimented on the exemplary performance of New Milton Town Council during the economic recovery phase, which continues to be work in progress.

Once again, we commend the Clerk/RFO, Assistant Clerk and their team for their continued professional management and administration of the Council's finance, governance and delivery functions. As in previous years, the requested audit files and associated documentation were presented for audit in timely and professional manner by the Clerk/RFO and the Assistant Clerk, making this in-person review a relatively straightforward process.

We ask that Members consider the content of this report and acknowledge that the report has been formally reviewed and adopted by Council.

Detailed Report

Review of Accounting Records & 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.

The Council uses the Omega accounting software to maintain its accounting records, which also provides the basis for preparation of the year-end Statement of Accounts and Annual Return.

The Council maintains the public funds under its management in three National Westminster Bank accounts, A Quilter Cheviot Investment Account and a Churches, Councils and Local Authorities Public Sector Deposit Fund (CCLA PSDF).

The services of external contact accountants (DCKs) are employed to maintain the day-to-day accounting records and prepare the year-end detailed Statement of Accounts / Annual Return data. We have to date: -

- Verified that an appropriate cost centre and nominal ledger structure remains in place for 2022-23;
- Agreed the opening Trial Balance in the accounting software for 2022-23 to the closing Financial Statements for 2021-22 to ensure that all the detailed balances have been properly rolled forward;
- Checked and agreed five sample months' receipts and payments transactions (April, September, November and December 2022, and March 2023) from all NatWest accounts, including the daily "sweep" transfers, to the relevant Omega cash books;
- Noted that the Council has, as per the recommendations in our prior year internal audit report, taken action to diversify its investments, to ensure as far as it is possible to do so, that the council's funds are protected whilst generating a reasonable rate of return;
- Noted the contents of the latest Quilter Cheviot investment report covering the period to the 31st March 2023, showing a slight recovery of losses incurred, and confirming total funds invested in the amount of £284,461.00 (£270,978 as at the 30th September 2022);
- Noted that the Council continues to maintain a CCLA PSDF account with the intention of transferring the half-year Precept payment directly into this account. The Account balance as at the 31st March 2023 stood at £500,000 (£500,000 as at the 30th September 2022); and,
- Checked and verified the Rialtas bank reconciliations, for all the Council's bank and investment accounts as at the 30th April, 30th September, 30th November and 31st December 2022, and March 2023 to ensure that there are no long-standing, uncleared items or other another anomalous entries arising.

Conclusion

There are no matters arising during this area of our review warranting further comment or recommendation.

Review of Corporate Governance

Our objective is to ensure that the Council has robust corporate governance documentation and processes in place, and that, as far as we may reasonably be expected to ascertain (as we do not attend Council or Committee meetings) all meetings are conducted in accordance with the adopted Standing Orders and no actions of a potentially unlawful nature have been or are being considered for implementation. We have: -

- Noted that the Council received an Unqualified Audit Certificate from the External Auditors on the 21st September 2022,
- Reviewed the Full Council and Standing Committee minutes (except Planning) for the financial year to the 31st March 2023 to ensure that no issues affecting the Council's financial stability either in the short, medium or long term exist;
- Noted that the Council last reviewed and re-adopted its revised combined Standing Orders and Financial Regulations at the 18th March 2022 meeting of the Full Town Council (revision number 11) under minute reference 132c;
- Noted that the Council confirmed that it continued to meet the criteria to avail itself of the General Power of Competence, and Resolved to readopt the General Power of Competence for FY 2022-23 during the Annual Meeting of the Town Council on the 15th May 2023, under Minute reference 9;
- Noted that the Council's website has now been redeveloped, is fully compliant with the prevailing Accessibility legislation and is very easy for visitors to use and readily access information;
- Noted that the Council provided the opportunity for the Exercise of Public Rights for 32 working days including the first 10 working days in July, from the 30th June to the 12th August 2022 inclusive;
- Noted that the Council has reviewed the Council's Risk Strategy at the Amenities Committee of the 25th July 2022, under Minute reference 34, where Members received a report from the Town Clerk advising that two items, one of moderate and one of minor risk be added to the register in relation to the Council's Investment Risks; and,
- Noted that the Clerk/RFO and Assistant Clerk continue to take all reasonable steps to ensure the Council's immediate and ongoing compliance with the General Data Protection Regulation (GDPR). This includes, but is not limited to, arranging secure off-site cloud backup facilities, the ongoing development of new Information & Data Protection and Privacy policies, the provision of dedicated Council e-mail addresses for all council members and administration staff, and the amendment of forms and e-mails to ensure users of the council's services are aware of what data will be retained and the Council's Privacy Policy.

We note that the Council continues to make significant investment into Youth Services which currently include the proposed development of a community facility on a site at Gore Road to replace the Phoenix Centre sold by Hampshire County Council. It is anticipated that the New Milton Youth Trust, a CIO established by New Milton Town Council in December 2019 will assist in securing funding to develop the new youth and community facility.

The Council is currently engaged in the upgrade of the Ashley Recreation Ground and the establishment of a new youth facility there, which is hoped will eventually be run by the New Milton Youth Trust. As at the date of the interim audit, £265,000 of section 106 monies received from New Forest District Council have helped to fund the project.

We have noted the Chairman's report, delivered at the Annual Town Meeting of the 6th March 2023, and the Minutes of the Full Council and all its standing committees (with the exception of the Planning Committee which is beyond the remit of the Internal Audit process) and find that New Milton Town Council continues to place the public health and well-being of its constituents at the heart of its Neighbourhood Plan, with the Council's youth services widely regarded to be amongst the best available in the New Forest.

Additionally, the play and recreation areas in the Council's control provide sports and leisure facilities for all age groups within the town. All these facilities have been subject to regular risk review during the ongoing public health situation as detailed later in this report.

The Council continues to support several initiatives promoting local business and shopping areas, including award winning spring and summer floral displays and the Christmas Lights. Additionally, the Council now manages the "Go New Milton" website which promotes local shops and businesses.

In relation to the Council's forward planning, we note that the Clerk/RFO and Members have made all reasonable efforts to implement the recommendations made in our prior year reports and continue to undertake a thorough budgetary process (which is commented on later in this report), and focus on the provision of services to constituents and the promotion of New Milton as a shopping destination and business friendly town.

The Clerk & Members have continuously demonstrated a prudent approach to financial management and its operational targets have been largely met, with major new projects, as mentioned above, in progress during the 2022-23 financial year.

Conclusions

There are no matters arising in this area of review warranting formal comment or recommendation. We take this opportunity to advise the Clerk/RFO and Members that the Cabinet Office have amended the Tender Threshold as of January 2023. Resultantly, the Council's combined Financial Regulations/Standing Orders will need to be amended to reflect this change in legislation. I have attached the Cabinet Office Legal notice as an addendum to this report.

Review of Expenditure

Our aim here is to ensure that: -

- Council resources are released in accordance with the Council's approved procedures and budgets;
- 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;
- An official order has been raised for all purchases and service delivery where one would be expected;

- 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; and
- VAT has been appropriately identified and coded to the control account for periodic recovery.

We have concluded our examination of payments for compliance with the above criteria, selecting a sample of 99 payments in total for the 2022-23 financial year, comprised of all payments individually above £3,000, together with every 30th cashbook transaction (irrespective of value), and totalling £630,226.34 and equating to approximately 59% of all non-pay expenditure processed to the above date with no issues arising.

Finally, in this area of our review, we have checked and verified all four quarterly VAT reclaims for the 2022-23 financial year, ensuring that these were correctly submitted in accord with the Omega control record and properly disclosed in the year-end accounting statements, with no issues arising.

Conclusions

There are no matters arising in this area of our review warranting further comment or recommendation.

Review of 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 in order to minimise the opportunity for their coming to fruition. Consequently, we:

- Noted that the Council's insurance cover continues to be provided by Zurich under a 'Select for Local Councils Policy' on a long term agreement to reduce costs.

The current year's policy schedule running to 31st March 2023 is as follows:

Policy number: YLL-272009-6773

Term of cover: 01st April 2022 to the 31st March 2023

Key features

- Public Liability £15M
- Employers Liability £10M
- Fidelity Guarantee £2M
- Hirers' Liability £2M
- Liable & Slander £250K
- Personal Accident £2M per incident / £500k per person
- Legal Expenses £200k

We consider the above appropriate for the Council's immediate requirements.

- Noted that the Council's Risk Management Strategy remains robust with a dynamic approach to Risk Management with Risk Registers reviewed on an ongoing basis throughout the year and governed by an umbrella Health & Safety policy;

- Noted the Council's Risk Strategy. Received a report from the Town Clerk that 2 items re moderate and minor risk be added to the register in relation to the Council's Investment Risks, at the 25th July 2022 meeting of the Finance & General Purposes Committee under Minute Reference 34;
- Noted that the Council's Risk Registers were reviewed and readopted at the 13th March 2023 meeting of the Finance & General Purposes Committee under Minute Reference 108;
- Reviewed the Council's arrangements for the regular inspection of playgrounds and recreational areas, noting that Zurich Insurance inspect the playgrounds monthly, making recommendations for replacement, repair and general maintenance. Additionally, the Council's play areas, MUGA and skatepark are visually inspected weekly by members of the Estates Team who have been trained and are qualified to carry out weekly visual inspections. These inspections are recorded, and hard copies kept on file and also electronically stored in their own folder on the Town Council shared drive.

Any minor repairs required as a result of inspections are carried out by the Council's nominated and certified sub-contractor 'Vitaplay'. Any equipment or area deemed to be in need of a major repair and/or presents a potential health and safety risk is taken out of service immediately until a full repair can be undertaken. All play areas, the MUGA and Skatepark are fully inspected annually, generally in July, by the Play Inspection Company.

Finally, in this area of our review and as an adjunct to the above, we have noted that the Town Council now organises and holds Play Inspector Courses carried out by qualified instructors. These courses are open to employees of other government and not for profit entities. To date, New Milton Town Council has hosted course delegates from organisations including New Forest District Council, Lymington, Pennington Town Council, Horsham Town Council, Warminster Town Council, and the Fleet Air Arm Museum Yeovilton.

This training process continues to enable New Milton Town Council to train members of the Estates Team at net neutral cost, as the course fees have been offset by the income received from running the course, which is a benefit both to the Council and its Constituents and is, in this auditor's opinion, an exemplary initiative.

Conclusions

There are no matters arising in this area of our review warranting formal comment or recommendation.

Review of Budgetary Control & Reserves

Our objective here is to ensure that the Council has a robust procedure in place for identifying and approving its future budgetary requirements and level of precept to be drawn down from New Forest District Council; also, that an effective reporting and monitoring process is in place. We also aim to ensure that the Council retains appropriate funds in general and earmarked reserves to finance its ongoing spending plans, whilst retaining appropriate sums to cover any unplanned expenditure that might arise. We have:-

- Noted that the Council's actual expenditure to the 31st March 2023 is broadly in line with its budgetary projections for the financial year;

- The Council continues to conduct a robust Budget setting and Precept determination process, against a pre-agreed schedule of planning and review meetings, which was ongoing at the time of the Interim Internal Audit;
- Noted that the Council formally Approved the 2023-24 financial year Budget in the amount of 1,279,891 and the Precept in the amount of £1,246,391 (*£1,130,212 prior-year*) with the £33,500 shortfall being made up from Reserves at the 3rd January 2023 meeting of the Full Town Council under Minute reference 87.

The Town Council element of Council Taxes to be £117.32 for the average 'Band D' property in New Milton;

- We note that members continue to be provided with detail of the current budgetary performance at the monthly meetings of the Finance and General Purposes Committee;
- The Council's retained reserves at 31st March 2023 stood at £810,392 (*632,878 prior-year*) including £393,280 (*£225,253 prior-year*) in earmarked reserves leaving a General Reserve balance of £351,176 (*£381,811 prior-year*).

This equates to approximately three four months expenditure reserves based on the average monthly expenditure during the 2022-23 financial year. This sits within the current CiPFA (Chartered Institute of Public Finance Accountants) guidance to retain between three and six months of prior-year average monthly revenue expenditure as General Reserve Funds; and,

- Finally, in this area of review, we have checked and verified the Clerk/RFO's variance report noting that there are no significant variances requiring further investigation or explanation.

Conclusion

There are no matters arising in this area of the Final Update review warranting formal comment or recommendation.

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 the invoice is submitted in a timely manner and that effective procedures are in place to pursue recovery of any outstanding monies due to the Council. We note that, in addition to the Precept, the Council continues to receive income from a variety of sources including sports field hire, allotment rents, property leases, market stall rents, investment interest, recovered VAT, sundry wayleaves, sponsorship, grants and CIL monies.

As with all Council's throughout the UK, New Milton's income steam was impacted by the mandatory 'lockdowns' imposed by Central Government in relation to the Covid-19 situation, we are pleased to note that the Councils non-Precept income has recovered to almost pre-lockdown levels:

- We have noted that the Council undertook a formal review of its fees and charges during the prior-year budget setting process, with increases approved accordingly for the 2022-23 financial year;

- We have checked and agreed all receipts recorded in Cashbook 1 to the corresponding Bank Statements for the months of April, September, November and December 2022, and March 2023;
- We have reviewed all invoices and receipts pertaining to Sales Receipts as entered on Cashbook 1, for the months of April and September 2022, ensuring that the fees charged were in accord with the published scales with no undue delays identified in settlement by customers;
- We have checked and verified the receipt of Allotment Rental payments for the 2022-23 financial year to the 31st March 2023, with reference to the Allotment Rental control sheet, Sales Ledger, Sales invoices, Cashbook and corresponding bank statements with no issues arising;
- We have reviewed a random sample of ten Allotment Tenancy Agreements noting that nine were not dated at the date of the execution of the contract and one was not notarised;
- Reviewed the Sales Ledger for aged debt and any anomalous entries; and,
- We have reviewed the way in which cash and cheque receipts are recorded for banking for the financial year to 31st March 2023 with no issues arising.

Conclusions

We noted, during the interim review of the year, that there were a small number of aged debts recorded on the Sales Ledger and discussed these with the Clerk/RFO who advised us of his strategy to manage this situation which we consider both reasonable and proportionate. This situation has largely been resolved.

We remind the Clerk/RFO and Members that the date of the period of a contract is, in many cases, be different from the date of execution of the contract. As the Allotment Agreement is a formal Tenancy Agreement it is essential that the contracts are properly notarised and must also be dated on the date that the contract is executed.

R1. To ensure that the Allotment Tenancy Agreements are dated at the date of contract execution, the contract should be amended to include a date field for the signatories and notary to the agreement.

Review of Petty Cash Accounts

The Council operates a limited petty cash account, topped up "as and when" with periodic cash (ATM) re-imburements (generally of £250 each). The DCK contractor maintains appropriate Excel based control sheets to analyse the expenditure for posting to Omega.

We have checked and agreed three sample month's transactions, April and September 2022 and March 2023, to ensure that each payment was supported by relevant supplier invoices / till receipts and that the expenditure was appropriate for the Council's activities with no issues arising. To this end, we have checked and verified the DCK produced and approved Petty Cash reconciliation reports, which have been endorsed in the Management Accounts by the F&GP Committee and which have been certified by the Clerk/RFO.

We have checked and verified the 31st March 2023 Petty Cash reconciliation, in the amount of £222.39, which has been certified by the Clerk/RFO with no matters arising.

Conclusions

There are no matters arising in this area of our review warranting formal comment or recommendation.

Review of Salaries

In examining the Council's payroll function, we aim to confirm that extant legislation is being appropriately observed as regards adherence to the Employee Rights Act 1998 and the requirements of HM Revenue and Customs (HMRC) legislation as regards the deduction and payment over of income tax and NI contributions, together with meeting the requirements of the LGPS (further revised with effect from 1st April 2020 as regards employee contribution percentage bandings).

The Council continues to outsource the production of its monthly payroll to its contractor accountants: we have examined the September 2022 payroll, which included payroll payments to councillors in relation to their emolument payments, the grounds and office staff. We have: -

- Noted that the Council's payroll function continues to be outsourced to DCK Accounting Solutions;
- Ensured that the Council has approved employee pay rates for the Financial Year, ensuring that these were correctly applied;
- Ensured that appropriate PAYE tax codes are being applied to both employees and members' allowances;
- Checked and verified all Timesheets for the September 2022 pay period had been correctly tabulated, transcribed and authorised and that the corresponding variable pay had been paid at the correct overtime rate;
- Ensured that NI deductions were computed accurately based on the current "tables";
- Ensured that the correct percentage superannuation deductions, based on the revised LGPS, are being applied where appropriate; and,
- Verified that net salary payments have been made to staff appropriately and been recorded accurately in the accounting records, noting that all salary and members' allowance payments continue to be made by BACS.

Conclusions

There are no matters arising in this area of our review warranting formal comment or recommendation.

Review of Fixed Asset Registers

The Governance and Accountability Manual requires all Councils to develop and maintain a comprehensive register of all assets owned and leased by the Council. In this area, we aim to ensure that such a register is in place and contains all the basic information that should, ideally, be embodied in the records.

We have previously noted that a very detailed register of the Council's land, properties and other assets is maintained, and this continues to be the case for the current year. Additionally, for the purposes of the Statements of Account and Annual Return, reliance is placed upon the schedules

prepared by the contract accountants, and we have during this final update review, been provided with copies of the schedules for 2022-23 financial year.

During the prior year Final Update Internal Audit, we certified that the Council's Fixed Asset Register accurately recorded all acquisitions and disposals during the 2022-23 financial year declaring a total value of £5,785,492 (£5,491,808 prior-year).

Conclusions

There are no matters arising in this area of our review warranting formal comment or recommendation.

Review of Investments and Loans

We have noted that the Council continues to maintain a detailed Investment Strategy and policy.

Account	Cashbook Number	Reconciled balance as at 31-03-23
Current Account	CB1	£2,500.00
First Reserve Account 1	CB2	£36,947.24
Business Reserve Account 2	CB3	£7,332.27
Special Interest Bearing Account 3	CB5	£251,779.52
		Total £298,559.03

As at the 31st March 2023 the Council held surplus funds, totalling circa £298,559, as indicated in the table above, (£925,261.98 as at the 31st March 2022). The detail of each account has been checked and verified against the prime documentation, i.e. bank statements as at the 31st March 2023, cashbook entries and corresponding bank reconciliations.

The Council also holds a share portfolio investment with Quilter Cheviot which as of the 31st March 2023 held a market value of £272,376.

We note that Quilter Cheviot have utilised Investment Income in addition to Sale Proceeds to purchase further investments. Whilst this appears to be within their remit to do so, the action does take control of the investment decision making process away from the Clerk/RFO and Members and does create further sums, circa £9,684, the use of which will be restricted by Capital Accounting Regulations when the Investment Portfolio is finally liquidated.

Noted that the Council maintains a CCLA Public Sector Deposit Fund (PSDF) account, opened on the 17th September 2021, and that the funds balance as at the 31st March stood at £500,000 with dividends being paid directly into the Council's current account. We note that the CCLA continues to outperform the majority of investments open to councils.

The Clerk/RFO and Members have significantly reduced the funds invested with the National Westminster Bank during the 2022-23 financial year.

We are advised by the Clerk/RFO that the level of the Council's banked funds and its investments are regularly reviewed at the Finance & General Purposes Committee.

The Council has no loans repayable by or to it currently.

Conclusion and recommendation

We have noted the Clerk/RFO and Council's actions, in the prior year, aimed at reducing the level of public funds under the Council's management which had been significantly successful. However, we note that once again, the Quilter Cheviot account has not performed as originally anticipated and all dividends achieved are automatically reinvested.

R2. The Clerk/RFO and Members should continuously monitor the level of the public funds under its management at all times, ensuring as far as is practicably possible, that the poorly performing investments are reviewed for their ongoing appropriateness.

Statement of Accounts and Annual Return

As noted elsewhere in this report, the Council continues to engage the services of third-party accountancy contractors for its year-end closedown processes, together with the preparation of the detailed annual financial Statements of Accounts and Annual Return data.

As recorded in previous years' final reports, the Annual Return provides the Council's statutory Statements of Account subject to external audit certification. We also note, however, that more detailed Accounts and Supplementary Notes (based on the FRSSSE format) have again been prepared for presentation to members in order to further inform them of the underlying financial performance of the Council and provide comparative information with the previous year.

We have checked and agreed, by reference to the accounting system's closing Trial Balance and other relevant documents, the content of the Statement of Accounts and the supporting notes, detail of which is transferred to Section 2 of the Annual Return.

We have also reviewed the procedures in place for identifying year-end debtors, creditors and accruals and agreed the detailed values recorded in the year-end Balance Sheet to the underlying records with no long-standing unpaid accounts or other issues arising.

Conclusion

We are pleased to record that there are no matters arising in this area of our review warranting formal comment or recommendation and, on the basis of the work undertaken during the course of our review for the year, we have "signed off" the Internal Audit Certificate in the Annual Return assigning positive assurances in all areas.

-o0o-

NOTE TO REPORT

We confirm that all confidential & sensitive information, supplied for the purposes of this audit including, Personnel Minutes, Payroll and Employment data have been permanently deleted from Auditing Solutions Ltd.'s servers and any printouts made for the purposes of this audit have been destroyed in accordance with the Company's data and document retention policies and with the prevailing General Data Protection Legislation.

FY2023-24 Action Plan

Rec. No.	Recommendations	Response
Review of Income		
R1	To ensure that the Allotment Tenancy Agreements are dated at the date of contract execution, the contract should be amended to include a date field for the signatories and notary to the agreement.	
Review of Investments and Loans		
R2	The Clerk/RFO and Members should continuously monitor the level of the public funds under its management at all times, ensuring as far as is practicably possible, that the poorly performing investments are reviewed for their ongoing appropriateness.	

Addendum to report: Cabinet Office Legal Notice PPN 01/23

Annual Governance and Accountability Return 2022/23 Form 3

To be completed by Local Councils, Internal Drainage Boards and other Smaller Authorities*:

- where the higher of gross income or gross expenditure exceeded £25,000 but did not exceed £6.5 million; or
- where the higher of gross income or gross expenditure was £25,000 or less but that:
 - are unable to certify themselves as exempt (fee payable); or
 - have requested a limited assurance review (fee payable)

Guidance notes on completing Form 3 of the Annual Governance and Accountability Return 2022/23

1. Every smaller authority in England that either received gross income or incurred gross expenditure exceeding £25,000 **must** complete Form 3 of the Annual Governance and Accountability Return at the end of each financial year in accordance with *Proper Practices*.
2. **The Annual Governance and Accountability Return is made up of three parts, pages 3 to 6:**
 - The **Annual Internal Audit Report** **must** be completed by the authority's internal auditor.
 - **Sections 1 and 2** **must** be completed and approved by the authority.
 - **Section 3** is completed by the external auditor and will be returned to the authority.
3. The authority **must** approve Section 1, Annual Governance Statement, before approving Section 2, Accounting Statements, and both **must** be approved and published on the authority website/webpage **before 1 July 2023**.
4. An authority with either gross income or gross expenditure exceeding £25,000 or an authority with neither income nor expenditure exceeding £25,000, but which is unable to certify itself as exempt, or is requesting a limited assurance review, **must** return to the external auditor by email or post (not both) **no later than 30 June 2023**. Reminder letters will incur a charge of £40 +VAT:
 - the Annual Governance and Accountability Return Sections 1 and 2, together with
 - a bank reconciliation as at 31 March 2023
 - an explanation of any significant year on year variances in the accounting statements
 - notification of the commencement date of the period for the exercise of public rights
 - Annual Internal Audit Report 2022/23

Unless requested, do not send any additional documents to your external auditor. Your external auditor will ask for any additional documents needed.

Once the external auditor has completed the limited assurance review and is able to give an opinion, the Annual Governance and Accountability **Section 1, Section 2 and Section 3 – External Auditor Report and Certificate** will be returned to the authority by email or post.

Publication Requirements

Under the Accounts and Audit Regulations 2015, authorities must publish the following information on the authority website/webpage:

Before 1 July 2023 authorities **must** publish:

- Notice of the period for the exercise of public rights and a declaration that the accounting statements are as yet unaudited;
- **Section 1 - Annual Governance Statement 2022/23**, approved and signed, page 4
- **Section 2 - Accounting Statements 2022/23**, approved and signed, page 5

Not later than 30 September 2023 authorities **must** publish:

- Notice of conclusion of audit
- **Section 3 - External Auditor Report and Certificate**
- **Sections 1 and 2 of AGAR** including any amendments as a result of the limited assurance review.

It is recommended as best practice, to avoid any potential confusion by local electors and interested parties, that you also publish the Annual Internal Audit Report, page 3.

The Annual Governance and Accountability Return constitutes the annual return referred to in the Accounts and Audit Regulations 2015. Throughout, the words 'external auditor' have the same meaning as the words 'local auditor' in the Accounts and Audit Regulations 2015.

*for a complete list of bodies that may be smaller authorities refer to schedule 2 to the Local Audit and Accountability Act 2014.

Guidance notes on completing Form 3 of the Annual Governance and Accountability Return (AGAR) 2022/23

- The authority **must** comply with *Proper Practices* in completing Sections 1 and 2 of this AGAR. *Proper Practices* are found in the *Practitioners' Guide** which is updated from time to time and contains everything needed to prepare successfully for the financial year-end and the subsequent work by the external auditor.
- Make sure that the AGAR is complete (no highlighted boxes left empty) and is properly signed and dated. Any amendments must be approved by the authority and properly initialled.
- The authority **should** receive and note the Annual Internal Audit Report before approving the Annual Governance Statement and the accounts.
- Use the checklist provided below to review the AGAR for completeness before returning it to the external auditor by email or post (not both) no later than 30 June 2023.
- The Annual Governance Statement (Section 1) must be approved on the same day or before the Accounting Statements (Section 2) and evidenced by the agenda or minute references.
- The Responsible Financial Officer (RFO) must certify the accounts (Section 2) before they are presented to the authority for approval. The authority must in this order; consider, approve and sign the accounts.
- The RFO is required to commence the public rights period as soon as practical after the date of the AGAR approval.
- **You must inform your external auditor about any change of Clerk, Responsible Financial Officer or Chairman, and provide relevant authority owned generic email addresses and telephone numbers.**
- Make sure that the copy of the bank reconciliation to be sent to your external auditor with the AGAR covers all the bank accounts. If the authority holds any short-term investments, note their value on the bank reconciliation. The external auditor must be able to agree the bank reconciliation to Box 8 on the accounting statements (**Section 2, page 5**). An explanation **must** be provided of any difference between Box 7 and Box 8. More help on bank reconciliation is available in the *Practitioners' Guide**.
- Explain fully significant variances in the accounting statements on **page 5**. Do not just send a copy of the detailed accounting records instead of this explanation. The external auditor wants to know that you understand the reasons for all variances. Include complete numerical and narrative analysis to support the full variance.
- If the bank reconciliation is incomplete or variances not **fully** explained then additional costs may be incurred.
- Make sure that the accounting statements add up and that the balance carried forward from the previous year (Box 7 of 2022) equals the balance brought forward in the current year (Box 1 of 2023).
- The Responsible Financial Officer (RFO), on behalf of the authority, **must** set the commencement date for the exercise of public rights of 30 consecutive working days which **must** include the first ten working days of July.
- The authority **must** publish on the authority website/webpage the information required by Regulation 15 (2), Accounts and Audit Regulations 2015, including the period for the exercise of public rights and the name and address of the external auditor **before 1 July 2023**.

Completion checklist – 'No' answers mean you may not have met requirements		Yes	No
All sections	Have all highlighted boxes have been completed?	<input checked="" type="checkbox"/>	<input type="checkbox"/>
	Has all additional information requested, including the dates set for the period for the exercise of public rights , been provided for the external auditor?	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Internal Audit Report	Have all highlighted boxes been completed by the internal auditor and explanations provided?	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Section 1	For any statement to which the response is 'no', has an explanation been published?	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Section 2	Has the Responsible Financial Officer signed the accounting statements before presentation to the authority for approval?	<input checked="" type="checkbox"/>	<input type="checkbox"/>
	Has the authority's approval of the accounting statements been confirmed by the signature of the Chairman of the approval meeting?	<input checked="" type="checkbox"/>	<input type="checkbox"/>
	Has an explanation of significant variations been published where required?	<input checked="" type="checkbox"/>	<input type="checkbox"/>
	Has the bank reconciliation as at 31 March 2023 been reconciled to Box 8?	<input checked="" type="checkbox"/>	<input type="checkbox"/>
	Has an explanation of any difference between Box 7 and Box 8 been provided?	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Sections 1 and 2	Trust funds – have all disclosures been made if the authority as a body corporate is a sole managing trustee? NB: do not send trust accounting statements unless requested.	<input checked="" type="checkbox"/>	<input type="checkbox"/>

**Governance and Accountability for Smaller Authorities in England – a Practitioners' Guide to Proper Practices*, can be downloaded from www.nalc.gov.uk or from www.ada.org.uk

Annual Internal Audit Report 2022/23

New Milton Town Council

<https://www.newmiltontowncouncil.gov.uk/>

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

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

Internal control objective	Yes	No*	Not covered**
A. Appropriate accounting records have been properly kept throughout the financial year.	✓		
B. This authority complied with its financial regulations, payments were supported by invoices, all expenditure was approved and VAT was appropriately accounted for.	✓		
C. This authority assessed the significant risks to achieving its objectives and reviewed the adequacy of arrangements to manage these.	✓		
D. The precept or rates requirement resulted from an adequate budgetary process; progress against the budget was regularly monitored; and reserves were appropriate.	✓		
E. Expected income was fully received, based on correct prices, properly recorded and promptly banked; and VAT was appropriately accounted for.	✓		
F. Petty cash payments were properly supported by receipts, all petty cash expenditure was approved and VAT appropriately accounted for.	✓		
G. Salaries to employees and allowances to members were paid in accordance with this authority's approvals, and PAYE and NI requirements were properly applied.	✓		
H. Asset and investments registers were complete and accurate and properly maintained.	✓		
I. Periodic bank account reconciliations were properly carried out during the year.	✓		
J. Accounting statements prepared during the year were prepared on the correct accounting basis (receipts and payments or income and expenditure), agreed to the cash book, supported by an adequate audit trail from underlying records and where appropriate debtors and creditors were properly recorded.	✓		
K. If the authority certified itself as exempt from a limited assurance review in 2021/22, it met the exemption criteria and correctly declared itself exempt. <i>(If the authority had a limited assurance review of its 2021/22 AGAR tick "not covered")</i>			✓
L. The authority published the required information on a website/webpage up to date at the time of the internal audit in accordance with the relevant legislation.	✓		
M. In the year covered by this AGAR, the authority correctly provided for a period for the exercise of public rights as required by the Accounts and Audit Regulations <i>(during the 2022-23 AGAR period, were public rights in relation to the 2021-22 AGAR evidenced by a notice on the website and/or authority approved minutes confirming the dates set)</i> .	✓		
N. The authority has complied with the publication requirements for 2021/22 AGAR <i>(see AGAR Page 1 Guidance Notes)</i> .	✓		
O. (For local councils only)	Yes	No	Not applicable
Trust funds (including charitable) – The council met its responsibilities as a trustee.	✓		

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

Date(s) internal audit undertaken

07/11/2022

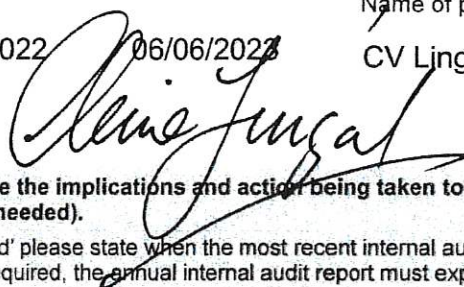
08/11/2022

06/06/2023

Name of person who carried out the internal audit

CV Lingard - Auditing Solutions Ltd

Signature of person who carried out the internal audit



Date

07/06/2023

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

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

Section 1 – Annual Governance Statement 2022/23

We acknowledge as the members of:

NEW MILTON TOWN COUNCIL

our responsibility for ensuring that there is a sound system of internal control, including arrangements for the preparation of the Accounting Statements. We confirm, to the best of our knowledge and belief, with respect to the Accounting Statements for the year ended 31 March 2023, that:

	Agreed		'Yes' means that this authority:
	Yes	No*	
1. We have put in place arrangements for effective financial management during the year, and for the preparation of the accounting statements.	✓		prepared its accounting statements in accordance with the Accounts and Audit Regulations.
2. We maintained an adequate system of internal control including measures designed to prevent and detect fraud and corruption and reviewed its effectiveness.	✓		made proper arrangements and accepted responsibility for safeguarding the public money and resources in its charge.
3. We took all reasonable steps to assure ourselves that there are no matters of actual or potential non-compliance with laws, regulations and Proper Practices that could have a significant financial effect on the ability of this authority to conduct its business or manage its finances.	✓		has only done what it has the legal power to do and has complied with Proper Practices in doing so.
4. We provided proper opportunity during the year for the exercise of electors' rights in accordance with the requirements of the Accounts and Audit Regulations.	✓		during the year gave all persons interested the opportunity to inspect and ask questions about this authority's accounts.
5. We carried out an assessment of the risks facing this authority and took appropriate steps to manage those risks, including the introduction of internal controls and/or external insurance cover where required.	✓		considered and documented the financial and other risks it faces and dealt with them properly.
6. We maintained throughout the year an adequate and effective system of internal audit of the accounting records and control systems.	✓		arranged for a competent person, independent of the financial controls and procedures, to give an objective view on whether internal controls meet the needs of this smaller authority.
7. We took appropriate action on all matters raised in reports from internal and external audit.	✓		responded to matters brought to its attention by internal and external audit.
8. We considered whether any litigation, liabilities or commitments, events or transactions, occurring either during or after the year-end, have a financial impact on this authority and, where appropriate, have included them in the accounting statements.	✓		disclosed everything it should have about its business activity during the year including events taking place after the year end if relevant.
9. (For local councils only) Trust funds including charitable. In our capacity as the sole managing trustee we discharged our accountability responsibilities for the fund(s)/assets, including financial reporting and, if required, independent examination or audit.	Yes	No	N/A
	✓		has met all of its responsibilities where, as a body corporate, it is a sole managing trustee of a local trust or trusts.

*Please provide explanations to the external auditor on a separate sheet for each 'No' response and describe how the authority will address the weaknesses identified. These sheets must be published with the Annual Governance Statement.

This Annual Governance Statement was approved at a meeting of the authority on:

DATE

and recorded as minute reference:

MINUTE REFERENCE

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

Chairman

Clerk

ENTER PUBLICLY AVAILABLE WEBSITE/WEBPAGE ADDRESS

Section 2 – Accounting Statements 2022/23 for

NEW MILTON TOWN COUNCIL

	Year ending		Notes and guidance
	31 March 2022 £	31 March 2023 £	
1. Balances brought forward	622,434	628,111	Total balances and reserves at the beginning of the year as recorded in the financial records. Value must agree to Box 7 of previous year.
2. (+) Precept or Rates and Levies	1,130,212	1,186,500	Total amount of precept (or for IDBs rates and levies) received or receivable in the year. Exclude any grants received.
3. (+) Total other receipts	203,501	531,054	Total income or receipts as recorded in the cashbook less the precept or rates/levies received (line 2). Include any grants received.
4. (-) Staff costs	-561,400	-578,217	Total expenditure or payments made to and on behalf of all employees. Include gross salaries and wages, employers NI contributions, employers pension contributions, gratuities and severance payments.
5. (-) Loan interest/capital repayments	0	0	Total expenditure or payments of capital and interest made during the year on the authority's borrowings (if any).
6. (-) All other payments	-766,636	-1,016,591	Total expenditure or payments as recorded in the cashbook less staff costs (line 4) and loan interest/capital repayments (line 5).
7. (=) Balances carried forward	628,111	750,857	Total balances and reserves at the end of the year. Must equal (1+2+3) - (4+5+6).
8. Total value of cash and short term investments	666,055	810,392	The sum of all current and deposit bank accounts, cash holdings and short term investments held as at 31 March – To agree with bank reconciliation.
9. Total fixed assets plus long term investments and assets	5,491,808	5,785,492	The value of all the property the authority owns – it is made up of all its fixed assets and long term investments as at 31 March.
10. Total borrowings	0	0	The outstanding capital balance as at 31 March of all loans from third parties (including PWLB).

For Local Councils Only	Yes	No	N/A	
11a. Disclosure note re Trust funds (including charitable)	✓			The Council, as a body corporate, acts as sole trustee and is responsible for managing Trust funds or assets.
11b. Disclosure note re Trust funds (including charitable)	✓			The figures in the accounting statements above do not include any Trust transactions.

I certify that for the year ended 31 March 2023 the Accounting Statements in this Annual Governance and Accountability Return have been prepared on either a receipts and payments or income and expenditure basis following the guidance in Governance and Accountability for Smaller Authorities – a Practitioners' Guide to Proper Practices and present fairly the financial position of this authority.

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

SIGNATURE REQUIRED

Date

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

SIGNATURE REQUIRED

as recorded in minute reference:

SIGNATURE REQUIRED

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

SIGNATURE REQUIRED

Section 3 – External Auditor’s Report and Certificate 2022/23

In respect of

ENTER NAME OF AUTHORITY

1 Respective responsibilities of the auditor and the authority

Our responsibility as auditors to complete a **limited assurance review** is set out by the National Audit Office (NAO). A limited assurance review is **not a full statutory audit**, it does not constitute an audit carried out in accordance with International Standards on Auditing (UK & Ireland) and hence it **does not** provide the same level of assurance that such an audit would. The UK Government has determined that a lower level of assurance than that provided by a full statutory audit is appropriate for those local public bodies with the lowest levels of spending.

Under a limited assurance review, the auditor is responsible for reviewing Sections 1 and 2 of the Annual Governance and Accountability Return in accordance with NAO Auditor Guidance Note 02 (AGN 02) as issued by the NAO on behalf of the Comptroller and Auditor General. AGN 02 is available from the NAO website – <https://www.nao.org.uk/code-audit-practice/guidance-and-information-for-auditors/> .

This authority is responsible for ensuring that its financial management is adequate and effective and that it has a sound system of internal control. The authority prepares an Annual Governance and Accountability Return in accordance with *Proper Practices* which:

- summarises the accounting records for the year ended 31 March 2023; and
- confirms and provides assurance on those matters that are relevant to our duties and responsibilities as external auditors.

2 External auditor’s limited assurance opinion 2022/23

(Except for the matters reported below)* on the basis of our review of Sections 1 and 2 of the Annual Governance and Accountability Return, in our opinion the information in Sections 1 and 2 of the Annual Governance and Accountability Return is in accordance with Proper Practices and no other matters have come to our attention giving cause for concern that relevant legislation and regulatory requirements have not been met. (*delete as appropriate).

(continue on a separate sheet if required)

Other matters not affecting our opinion which we draw to the attention of the authority:

(continue on a separate sheet if required)

3 External auditor certificate 2022/23

We certify/do not certify* that we have completed our review of Sections 1 and 2 of the Annual Governance and Accountability Return, and discharged our responsibilities under the Local Audit and Accountability Act 2014, for the year ended 31 March 2023.

*We do not certify completion because:

External Auditor Name

ENTER NAME OF EXTERNAL AUDITOR

External Auditor Signature

SIGNATURE REQUIRED

Date

DD/MM/YYYY

**Town Development Manager Report
For Town Council Meeting 26th June 2023**

1. *Building Relationships*

As I continue to build relationships within the area, my recent meets include Chewton Glen Hotel, members of New Milton Sand and Ballast, the Beachcomber Barton, business drivers at New Forest District Council, Youth Options, IncuHive Hub, a representative of Colten Care, Sue Larking Chair of New Milton Residents Association and Julia Stamper of New Milton's Community Garden and Vice-Chair of New Milton Residents Association.

2. *Socially Prescribed Cookery Classes*

I am delighted to announce that we have successfully secured further funding for the Socially Prescribed Cookery Classes. South Western Railway's Customer and Communities Improvement Fund (CCIF) have awarded £15,000 funding to continue the classes for another year until March 2024. This will support Coastal Medical Partnership to provide low-carb cookery classes to key patients within New Milton.

3. *New Forest District Council's Shop Doctor Awards.*

Fantastically, businesses within New Milton high street and Barton on Sea have made us incredibly proud again. We are honoured to have such remarkable businesses within our town, each going above and beyond to provide an outstanding service to our customers. This has yet again been proven in the results of NFDC's Shop Doctor Awards. Earlier this year, participating businesses within New Milton were visited by the mystery shopper programme. Each received a detailed report on the programme's findings. Certificates were later handed to our businesses at an awards ceremony held at New Milton Town Hall. We were blown away by the results, all of our businesses received a score of 80 % or higher with two of our businesses receiving the highest accolade of outstanding (100%) - Bijou Coffee House in Barton on Sea and The Naked Pantry on New Milton high street. Congratulations to all businesses that took part. Look out for the certificates in their stores.

4. *Community Garden*

New Milton can soon expect an exciting addition to Fawcetts Field. The Community Garden is the hard work of resident and vice-chair of the residents' association, Julia Stamper. The vision for the community garden began a few years back when Julia wanted to provide a communal space for the Town. With the support of New Milton Town Council, New Milton Sand and Ballast and Julia's dedicated and remarkable work, I am pleased to say the construction for the community garden began on Monday 12th June. I proudly joined Julia and the community garden volunteers on the 4th May to help dig the beginnings (boundary) for the community garden. We can expect to see the garden completed by the Autumn.



NEW MILTON
T O W N C O U N C I L

Town Hall, 2 Ashley Road, New Milton, Hampshire BH25 6AS.

STANDING ORDERS

Mission Statement

New Milton Town Council will work to provide a high-quality environment to meet the needs of residents and visitors and defend the best interests of the Town.

Aims and Objectives

- To enable residents of New Milton to enjoy high-quality social, recreational and cultural facilities within the Town and seek the continuing improvement and development of these facilities.
- To encourage and promote the economic and commercial vitality of New Milton.
- To preserve the unique identity of New Milton and promote its heritage.
- To encourage harmony between commercial, ecological and residential requirements.
- To consult with and take due regard of all comments from individuals and other organisations to provide a high standard of service to meet local needs.
- To help create a socially inclusive and caring community that embraces all residents.

VERSION 17 - ISSUED

Amendment Record

Amendment Number	Date of Approval	Minute number
001	31 May 2005	5
002	29 Jan 2008	84
003	01 Sept 2008	40
004	14 Feb 2011	96
005	26 Nov 2012	75c
006	17 March 2014	117
007	29 February 2016	122
008	3 April 2018	125
009	1 April 2019	120
010	16 March 2020	117
011	28 March 2022	123c
	June 2023	

Town Council Wards and Councillors

Ashley North	- 2	Ashley South	- 2
Ballard	- 3	Barton & Becton	- 5
Bashley	- 1	Milton	- 5

The Ten General Principles

The general principles governing member conduct under the *Relevant Authorities (General Principles) Order 2001* are set out below:

Selflessness

1. Members should serve only the public interest and should never improperly confer an advantage or disadvantage on any person.

Honesty and Integrity

2. Members should not place themselves in situations where their honesty and integrity may be questioned, should not behave improperly and should on all occasions avoid the appearance of such behaviour.

Objectivity

3. Members should make decisions on merit, including when making appointments, awarding contracts, or recommending individuals for rewards or benefits.

Accountability

4. Members should be accountable to the public for their actions and the manner in which they carry out their responsibilities and should co-operate fully and honestly with any scrutiny appropriate to their particular office.

Openness

5. Members should be as open as possible about their actions and those of their authority and should be prepared to give reasons for those actions.

Personal Judgement

6. Members may take account of the views of others, including their political groups, but should reach their own conclusions on the issues before them and act in accordance with those conclusions.

Respect for Others

7. Members should promote equality by not discriminating unlawfully against any person, and by treating people with respect, regardless of their race, age, religion, gender, sexual orientation or disability. They should respect the impartiality and integrity of the authority's statutory officers, and its other employees.

Duty to Uphold the Law

8. Members should uphold the law and, on all occasions, act in accordance with the trust that the public is entitled to place in them.

Stewardship

9. Members should do whatever they are able to do to ensure that their authorities use their resources prudently and in accordance with the law.

Leadership

10. Members should promote and support these principles by leadership, and by example, and should act in a way that secures or preserves public confidence.

Introduction	5
Rules of debate at meetings	6
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INTRODUCTION

These Standing Orders are based on National Association of Local Councils (NALC) version 2 Model Standing Orders 2018 (England) updated on April 2022.

HOW TO USE MODEL STANDING ORDERS

Standing orders are the written rules of a local council. Standing orders are essential to regulate the proceedings of a meeting. A council may also use standing orders to confirm or refer to various internal organisational and administrative arrangements. The standing orders of a council are not the same as the policies of a council but standing orders may refer to them.

Local councils operate within a wide statutory framework. NALC model standing orders incorporate and reference many statutory requirements to which councils are subject. It is not possible for the model standing orders to contain or reference all the statutory or legal requirements which apply to local councils. For example, it is not practical for model standing orders to document all obligations under data protection legislation. The statutory requirements to which a council is subject apply whether or not they are incorporated in a council's standing orders.

Our standing orders incorporate NALC model financial regulations. Financial regulations are standing orders to regulate and control the financial affairs and accounting procedures of a local council. The financial regulations, as opposed to the standing orders of a council, include most of the requirements relevant to the council's Responsible Financial Officer. The most recent model has been used, published in 2019. These have been updated by the two legislative requirements on financial controls from the model standing orders amended 2022, seen at xxxxxxxx

Drafting notes

Model standing orders that are in **bold type contain legal and statutory requirements**. It is recommended that councils adopt them without changing them or their meaning. Model standing orders not in bold are designed to help councils operate effectively but they do not contain statutory requirements so they may be adopted as drafted or amended to suit a council's needs. It is NALC's view that all model standing orders will generally be suitable for councils.

For convenience, the word "councillor" is used in model standing orders and, unless the context suggests otherwise, includes a non-councillor with or without voting rights. The text also refers to 'he' whereas the position referred to is not gender specific.

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 Chairman 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 Chairman 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 chairman of the meeting, is expressed in writing to the chairman.
- h A councillor may move an amendment to his 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 chairman 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 chairman of the meeting.
- k One or more amendments may be discussed together if the chairman 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 chairman 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 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 considers has been breached or specify the other irregularity in the proceedings of the meeting he is concerned by.
- q A point of order shall be decided by the chairman of the meeting and his 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 chairman 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 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 3 minutes without the consent of the chairman 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 chairman of the meeting shall request such person(s) to moderate or improve their conduct.
- b If person(s) disregard the request of the chairman of the meeting to moderate or improve their conduct, any councillor or the chairman 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 chairman 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 30 minutes unless directed by the chairman 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 chairman of the meeting may direct that a written or oral response be given.
- i A person shall raise his hand when requesting to speak and stand when speaking (except when a person has a disability or is likely to suffer discomfort)]. The chairman 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 comments to the chairman of the meeting.
- k Only one person is permitted to speak at a time. If more than one person wants to speak, the chairman 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 Chairman of the Council may in his absence be done by, to or before the Vice-Chairman of the Council (if there is one).**
- p **The Chairman of the Council, if present, shall preside at a meeting. If the Chairman is absent from a meeting, the Vice-Chairman of the Council (if there is one) if present, shall preside. If both the Chairman and the Vice-Chairman 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 chairman 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 casting vote whether or not he gave an original vote.**

See standing orders 5(h) and (i) for the different rules that apply in the election of the Chairman 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 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 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 Proceedings shall not begin before 6.00pm and not proceed beyond 9.00pm. Should there be outstanding business a vote must be taken to decide if an additional meeting is required or items be added to the next scheduled meeting agenda. If an additional meeting is required no additional matter will be introduced without prior agreement of the Chairman and due notification to the Members.
- y A period of public participation will take place before the formal start of the meeting, specifically to speak on items shown on the agenda. The ‘Democratic Half Hour’ will, at Chairman discretion, take place at the end of the Public session. The speaker should provide their name and subject they wish to speak on.
- z At the Chairman’s discretion a public participation period will take place prior to the commencement of the formal business of the meeting. The subject should be one within the committee remit. Please refer to Terms of Reference (Appendix A)

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 5 days before the meeting that they are unable to attend;
- vi. shall, after it has appointed the members of a standing committee, appoint the chairman of the standing committee;
- vii. shall permit a committee other than a standing committee, to appoint its own chairman 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 **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.**
- d **The first business conducted at the annual meeting of the Council shall be the election of the Chairman and Vice-Chairman (if there is one) of the Council.**
- e **The Chairman of the Council, unless he has resigned or becomes disqualified, shall continue in office and preside at the annual meeting until his successor is elected at the next annual meeting of the Council.**
- f **The Vice-Chairman of the Council, if there is one, unless he resigns or**

- becomes disqualified, shall hold office until immediately after the election of the Chairman of the Council at the next annual meeting of the Council.**
- g In an election year, if the current Chairman of the Council has not been re-elected as a member of the Council, he shall preside at the annual meeting until a successor Chairman of the Council has been elected. The current Chairman of the Council shall not have an original vote in respect of the election of the new Chairman of the Council but shall give a casting vote in the case of an equality of votes.**
- h In an election year, if the current Chairman of the Council has been re-elected as a member of the Council, he shall preside at the annual meeting until a new Chairman of the Council has been elected. He may exercise an original vote in respect of the election of the new Chairman of the Council and shall give a casting vote in the case of an equality of votes.**
- i Following the election of the Chairman of the Council and Vice-Chairman (if there is one) of the Council at the annual meeting, the business shall include:**
- i. In an election year, delivery by the Chairman 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 Chairman of the Council of his 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. Appointment of members to existing committees (Amenities and F&GP upto 9 members, Planning 9 members ideally fairly representing each ward) (Executive Committee being Chairman and Vice of Council and Chairman of each standing committee);
 - vi. Appointment of any new committees in accordance with standing order 4;
 - vii. Review and adoption of appropriate standing orders and financial regulations;
 - viii. Review of arrangements (including legal agreements) with other local authorities, not-for-profit bodies and businesses.
 - ix. Review of representation on or work with external bodies and arrangements for reporting back;
 - x. 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.

See Terms of Reference (Appendix A)

6. ANNUAL TOWNS MEETING

- a After the minutes have been signed the order of business at the Annual Towns Meeting shall be as follows
- i. to receive the Annual Report of the Town Council from its Chairman;
 - ii. to receive the accounts of any Chairites in which the Town Council has an interest, together with any comments or observatiosn thereon;
 - iii. to consider motions on notice in order of date received;
 - iv. to receive reports of the delegate for New Forest Association of Local Councils;
 - v. to receive statements/reports from representatives of voluntary organisations in the town;
 - vi. to deal with any other business appropriate to the Annual meeting of the Town;
 - vii. Chairmans announcements (if any);
 - viii. Guest Speaker (if any).

NOTE: The Annual Towns meeting is a public meeting required by statute to be held in the period between 1 March and 1 June inclusive each year, at which any elector for the twon may speak at any time at the discretion of the Chairman, on matters arising or of direct concern in the area. It is not a Town Council meeting.

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

- a **The Chairman of the Council may convene an extraordinary meeting of the Council at any time.**
- b **If the Chairman 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 chairman of a committee [or a sub-committee] may convene an extraordinary meeting of the committee [or the sub-committee] at any time.

8. 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 6 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.

9. 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 chairman of the meeting.

10. 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 10 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 10 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 chairman 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.

11. 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 authorise the signing of documents, requiring the formal approval of Council;
 - x. to appoint a committee or sub-committee and their members;
 - xi. to authorise the signing of the Schedule of Payments;
 - xii. to extend the time limits for speaking;
 - xiii. to exclude the press and public from a meeting in respect of confidential or other information which is prejudicial to the public interest;
 - xiv. to not hear further from a councillor or a member of the public;
 - xv. to exclude a councillor or member of the public for disorderly conduct;
 - xvi. to temporarily suspend the meeting;
 - xvii. to suspend a particular standing order (unless it reflects mandatory statutory or legal requirements);
 - xviii. to confirm date of the next meeting;
 - xix. to adjourn the meeting; or
 - xx. to close the meeting.

12. 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.**

13. DRAFT MINUTES

- 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 chairman of the meeting and stand as an accurate record of the meeting to which the minutes relate.
- d If the chairman of the meeting does not consider the minutes to be an accurate record of the meeting to which they relate, he should sign them and this aspect should be recorded.
- e Subject to the publication of draft minutes in accordance with 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.

14. CODE OF CONDUCT AND DISPENSATIONS

See Appendix D and 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 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 has a disclosable pecuniary interest. He may return to the meeting after it has considered the matter in which he had the interest.
- c Unless he 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 has another interest if so required by the Council's code of conduct. He may return to the meeting after it has considered the matter in which he 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 the Proper Officer 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.
- 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.**

i All members shall disclose to the District Council Monitoring Officer their disclosable pecuniary interests. Please refer to Appendix D.

All members shall disclose to the Monitoring Officer their non-pecuniary interests that comprise the membership, or position of general control or management, of any body:

- i. to which the council has appointed or nominated them; or
- ii. exercising functions of a public nature; or
- iii. directed to charitable purposes; or
- iv. one of whose principal purposes includes the influence of public opinion or policy.

The District Council Monitoring Officer shall record all such disclosures in a Register of Interests. The Register shall be open to public inspection and as a matter of law has to appear on the Council's and the District Council's websites.

j Members shall notify any changes to the above disclosable pecuniary interests and non-pecuniary interests to the Monitoring Officer within 28 days of the change occurring, and the Monitoring Officer will amend the Register accordingly.

k Any member who has a disclosable pecuniary interest, or a non-pecuniary interest falling within (a) above, in any matter that a meeting is considering, shall disclose the existence and nature of that interest to the meeting. The disclosure shall be at the beginning of the consideration of the matter, or when the interest becomes apparent.

l Specifically relating to Planning Committee – Prior to the meeting, members should assess their interest in an application against the following 'Proximity Framework'

- i. Is the site for discussion adjacent to your property, or within easy view?
- ii. Is the applicant a regular customer of your business?
- iii. Is the applicant well known to you, through other means than those listed in Section 8 of your Register of Interests form (non-pecuniary)?

If you answer YES to any of the above, you must disclose a Pecuniary interest at the meeting, explain the reason and withdraw from the room.

l A member who fails to attend meetings of Council or standing committee, for six consecutive months shall be deemed to have resigned from the council or committee unless leave of absence has been granted by the Chairman of Council in discussion with the Town Clerk.

m Each elected member must hold a position on at least one of the standing committees, to ensure best practice and fairness in terms of workload and decision making.

- n A member shall not solicit for any person any appointment under the Council. However this will not preclude a member giving a written testimonial of a candidates ability, experience or character for submission to the Council with the application for employment.

15. CODE OF CONDUCT COMPLAINTS

- a Upon notification by the District 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 Chairman of Council of this fact, and the Chairman 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 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.**
- e In certain straightforward circumstances the District Council Monitoring Officer is entitled to dismiss a complaint at the outset. This will happen if
 - i. The person complained about is no longer a Councillor, or
 - ii. The conduct complained about happened in the Councillors private life, not when they were acting as a Councillor, or
 - iii. The conduct complained about happened over a year beforehand, or was known about for more than 6 months prior to the complaint.
- f For complaints on procedure or administration, see Appendix C.

16. 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 () days before the meeting confirming his withdrawal of it;
 - iii. **convene a meeting of the Council for the election of a new Chairman of the Council, occasioned by a casual vacancy in his 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 with original held by the District Council Monitoring Officer;
 - 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. hold position as the Council's Data Protection Officer;
 - 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;
- xv. manage access to information about the Council via the publication scheme; and
- xvi. provide promotion and protection of the interests of the inhabitants as the Town Council may prosecute or defend legal proceedings and take or defend proceedings with the object of defending its constitution, property, rights or reputation.

17. 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.
- b At the date of print the Town Clerk/Proper Officer was also the Responsible Finance Officer.

18. 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 **As gross annual income or expenditure (whichever is the higher) exceeds £200,000 the Council, shall publish information in accordance with the requirements of the Local Government (Transparency Requirements) (England) Regulations 2015.**

19. RESPONSIBILITIES UNDER DATA PROTECTION LEGISLATION

(Below is not an exclusive list).

See also standing order 11.

- a As referred to previously, the Town Clerk is the Data Protection Officer.
- b **The Council shall have policies and procedures in place to respond to an individual exercising statutory rights concerning his 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.**

20. 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.

21. 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), any two councillors may sign, on behalf of the Council, any deed required by law and the Proper Officer shall witness their signatures.**

The above is applicable to a Council without a common seal.

22. COMMUNICATING WITH DISTRICT AND COUNTY 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

representing the area of the Council.

- b Unless the Council determines otherwise, a copy of each letter sent to the District and County Council shall be sent to the ward councillor(s) representing the area of the Council.

23. 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.

24. 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 () 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 chairman of a meeting as to the application of standing orders at the meeting shall be final.

APPENDICES

A - Terms of Reference

1. Finance and General Purposes Committee - This Committee shall:-
 - (a) Be responsible for allocating and controlling the financial and personnel resources of the Council. This shall include insurance arrangements and the internal audit of accounts.
 - (b) Ensure that the organisational and administrative processes of the Council are designed to make effective contribution to the achievements of the Council's objectives. The Committee will keep these processes under review in the light of changing circumstances making recommendations as necessary for changes in either Committee structures, or the administrative, financial and executive arrangements of the Council.
 - (c) Make arrangements for the establishment, engagement and dismissal of staff through appraisal for their cost effective employment and service.
 - (d) To conduct an annual performance appraisal of the Town Clerk, to include review of performance targets for the post and those managed by the post holder. (Chairman of F & GP to nominate from members of Council)
 - (e) Make arrangements to deal expeditiously with all matters of a routine nature which are not the responsibility of other Committees, so that matters are either determined or, where appropriate, made the subject of recommendation to the Council to enable them to be determined.
 - (f) Be responsible for determining/making recommendations to Council, in respect of Capital or Revenue applications for Grant Aid. Where appropriate the recommendations of the Amenities or Planning Committees shall be sought prior to consideration by this Committee. Where applications are approved/recommended for approval, the following criteria will apply:-
 - i) The Committee may approve Capital and Revenue Grants up to and including £2,500.
 - ii) Where it is proposed to award a grant in excess of the sums at (i) above the Committee shall submit an appropriate recommendation to the Council for consideration.
 - (g) Whenever possible meet on a Monday evening two weeks prior to a Council meeting.
2. Amenities Committee - This Committee shall:-
 - (a) Promote leisure activities and facilities which shall include maintenance of public recreation grounds, parks, sports fields, open spaces, allotment sites, flower/shrub beds, bus shelters and similar areas which are the responsibility of the Council.

- (b) *As appropriate, monitor, liaise, advise and where necessary arrange activities or functions connected with powers relating to entertainment, the arts, welfare services, public library, and tourism. This shall include recommendations for financial assistance.*
- (c) *Decision to allow or refuse events on the War Memorial Recreation Ground in Whitefield Road (specifically) is delegated to the Amenities Chairman (or Deputy) and the Town Clerk (or Assistant) if there is no meeting in a reasonable timescale.*
- (d) *Monitor the provision and maintenance of all outdoor recreational sports and similar amenity services in the town area and make recommendations on these aspects as appropriate, to the Council or other responsible authority.*
- (e) *Be responsible for the provision of street markets and all aspects associated with it, together with Car Boot sales.*
- (f) *Be responsible for the provision and/or maintenance of public seats, litter bins and footpaths which are the recognised responsibility of the Council.*
- (g) *Arrange and publish its own programme of meetings.*
- (h) *Whenever possible meet on a Monday evening two weeks prior to the meeting of the Finance and General Purposes Committee.*

3. Planning Committee - This Committee shall:-

- (a) *Advise the Council on all actions required to be taken concerning the planning, highway and associated authorities and utility boards on matters relating to local planning applications, local and district highways, road safety, coastal protection, utility services and similar matters affecting the town area.*
- (b) *Have a standing responsibility to examine all planning applications and appeals affecting the town area and shall, WITHOUT reference to the Council, make known its comments thereon to the local planning authority within the statutory time limits imposed.*
- (c) *Appoint, if appropriate, a Member or Members and/or other suitable person(s) to represent the inhabitants of parts or the whole of the town area of the Council at any public or other inquiry by a Ministry or public body under any act relating to development control or any other aspect of the Committee's responsibilities.*
- (d) *Be empowered to liaise with any body, organisation or department of any local authority or utility board on any matter within the Committee's areas of responsibility.*
- (e) *Monitor the application and effectiveness of Tree Preservation Orders in the Town Council area and make appropriate recommendations in this connection to the responsible authority.*

- (f) *The Committee shall usually meet on alternate Thursday evenings, with any potential change notified well in advance via the Calendar of Meetings..*

4. Executive Committee - This Committee shall:-

- (a) *Guide the Council in the formulation of its plan of objectives and priorities and for this purpose will recommend to the Council such forward programmes and other steps as may be necessary to achieve these objectives, either wholly or in part during specific periods of time.*
- (b) *Be responsible for reviewing the effectiveness of the Council's work standards and levels of service provided. It will identify the need for new services and keep existing ones under review. It will submit to the Council concurrent reports from other Committees on new policies or changes in existing policy formulated by such Committees, particularly those which may have a significant impact upon the resources of the Council. It will scrutinise the projects of the Standing Committees in particular regard to due process.*
- (c) *Be responsible for capital projects and land resources of the Council. This shall include arrangements for the acquisition, allocation, disposal and inventory of any land, buildings and/or substantial property.*
- (d) *Make preliminary budget recommendations to the Finance and General Purposes Committee, Amenities Committee and Planning Committee in time for them to table their formal proposals in accordance with the timetable prescribed in paragraph 3.2 of Appendix B (Financial Regulations).*
- (e) *Receive and deal with any special references from the Council.*
- (f) *Take urgent action in the interest of the Council in any situation where time precludes normal Council or Committee consideration of a particular matter.*
- (g) *Report back to Council/Committee as appropriate, all action taken with particular reference to any unavoidable departure from Standing Orders.*
- (h) *The Committee is authorised to incur expenditure on behalf of the Council up to but not exceeding £10,000. Authority to exceed this limit may be given in advance by the Council in specified instances only. (Financial Regulations refer.)*
- (i) *Hold a budget meeting in November of each year, and Strategy meeting within the first quarter of a new term.*

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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; and
 - 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 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; and
 - 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; and
 - 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 not 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; and
 - 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);

² In England - Accounts and Audit (England) Regulations 2011/817
In Wales - Accounts and Audit (Wales) Regulations 2005/368

- approving accounting statements;
- approving an annual governance statement;
- borrowing;
- writing off bad debts;
- declaring eligibility for the General Power of Competence; and
- addressing recommendations in any report from the internal or external auditors,

shall be a matter for the full council only.

1.14. In addition 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 £5,000; and
- in respect of the annual salary for any employee have regard to recommendations about annual salaries of employees made by the Finance & General Purposes 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.

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. 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.
- 2.3. 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.

- 2.4. 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.
- 2.5. 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; and
 - have no involvement in the financial decision making, management or control of the council.
- 2.6. Internal or external auditors may not under any circumstances:
- perform any operational duties for the council;
 - initiate or approve accounting transactions; or
 - direct the activities of any council employee, except to the extent that such employees have been appropriately assigned to assist the internal auditor.
- 2.7. 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.
- 2.8. 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.
- 2.9. The RFO shall, without undue delay, bring to the attention of all councillors any correspondence or report from internal or external auditors.
- 2.10. The Annual Return for the year to 31 March shall be presented to each member before the end of the following month of June. The Statement of Accounts of the Council, (which is subject to external audit) shall be presented to Council for formal approval before the end of the following month of June.
- 3. ANNUAL ESTIMATES (BUDGET) AND FORWARD PLANNING**
- 3.1. The Executive Committee shall review its three-year forecast of revenue and capital receipts and payments. Having regard to the forecast, it shall thereafter formulate and submit proposals for the following financial year to the council not later than the end of December each year including any proposals for revising the forecast.

- 3.2. The RFO must each year, by no later than December, 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 & General Purposes Committee and the council.
- 3.3. 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.
- 3.4. The Finance and General Purposes Committee will recommend the precept to Council, and relevant basic amount of council tax to be levied for the ensuing financial year prior to the District Council being informed at the beginning 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.
- 3.5. 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 council for all items over £10,000;
 - a duly delegated committee of the council for items over £2,500; or
 - the Clerk, in conjunction with Chairman of Council or Chairman of the appropriate committee, for any items below £2,500.

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

- 4.2. No expenditure may be authorised that will exceed the amount provided in the revenue budget for that class of expenditure other than by resolution of the council, or duly delegated committee. During the budget year and with the approval of council 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.
- 4.4. The salary budgets are to be reviewed at least annually in November for the following financial year and such review shall be evidenced by a hard copy schedule signed by the Clerk and the Chairman of Council or relevant committee. The RFO will inform committees 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 clerk may authorise revenue expenditure on behalf of the council which in the clerk'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 £2,500. The Clerk shall report such action to the chairman 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 statement of receipts and payments to date under each head of the budgets, comparing actual expenditure to the appropriate date against that planned as shown in the budget. These statements are to be prepared at least at the end of each financial quarter and shall show explanations of material variances. For this purpose "material" shall be in excess of £1000 or 10% of the budget.
- 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. The council shall seek credit references in respect of members or employees who act as signatories.
- 5.2. The RFO shall prepare a schedule of payments report, forming part of the Agenda for the Meeting and present the schedule to Finance & General Purposes Committee. The Finance & General Purposes Committee shall scrutinise the schedule. A detailed list of all payments shall be disclosed within. 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 relevant officer 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. Attached to the invoice should be the relevant purchase order/emergency order book copy to verify price paid. This should also include detail of unsuccessful contractor prices, whether given verbally or in hard copy.
- 5.4. The RFO or appointed officer shall examine invoices for arithmetical accuracy and analyse them to the appropriate expenditure heading. The RFO or appointed officer shall take all steps to pay all invoices submitted, and which are in order, and report at the next available Finance & General Purposes Committee meeting.

- 5.5. For each financial year the RFO or appointed officer shall draw up a list of due payments which arise on a regular basis as the result of a continuing contract, statutory duty or obligation. These include salaries, PAYE, NI, Superannuation fund and regular maintenance contracts and the like. Council or duly authorised Committee may authorise payment for the year with its purchase order details, ensuring that the requirements of regulation 4.1 (Budgetary Controls) are adhered to. A list of such payments shall be submitted to the next appropriate meeting of Finance & General Purposes Committee.
- 5.6. In respect of grants the Finance and General Purposes 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 £2,500 shall before payment, be subject to ratification by resolution of the council.
- 5.7. 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.
- 5.8. Any changes in the recorded details of suppliers, such as bank account records, shall be kept in confidential files with the authority banking materials.
- 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. Following authorisation under Financial Regulation 5 above, two duly authorised signatories shall give instruction that a payment shall be made.
- 6.3. All payments shall be effected by cheque or other instructions to the council's bankers, or otherwise, in accordance with a resolution of Council.
- 6.4. Cheques or orders for payment drawn on the bank account in accordance with the schedule as presented to council or committee shall be signed by two members of council in accordance with a resolution instructing that payment. 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.
- 6.5. 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 initial the cheque counterfoil.
- 6.6. 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 and any payments are reported to council as made.
- 6.7. If thought appropriate by the council, payment for certain items may be made by Banker's Standing Order provided that the instructions are signed, or

- otherwise evidenced by two members are retained and any payments are reported to council as made.
- 6.8. 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, by two authorised bank signatories are retained and any payments are reported to council as made.
 - 6.9. 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.
 - 6.10. Where a computer requires use of a personal identification number (PIN) or other password(s), for access to the council's records on that computer, a note shall be made of the PIN and Passwords and shall be retained by the RFO in the authority safe.
 - 6.11. No employee or councillor shall disclose any PIN or password, relevant to the working of the council or its bank accounts, to any person not authorised in writing by the council or a duly delegated committee.
 - 6.12. 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.
 - 6.13. 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.
 - 6.14. Where internet banking arrangements are made with any bank, the Clerk [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, being those that are also cheque signatories. The bank mandate will state clearly the amounts of payments that can be instructed by the use of the Service Administrator alone, or by the Service Administrator with a stated number of approvals. The internal invoice stamp will be used for the member approving internet payments.
 - 6.15. 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.
 - 6.16. 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 RFO.
 - 6.17. Any Debit Card issued for use will be restricted to the Clerk [RFO] or delegated officer and will also be restricted to a single transaction maximum value of £500 unless authorised by Finance & General Purposes Committee in writing before any order is placed.

- 6.18. Any corporate credit card or trade card account opened by the council will be specifically restricted for use by the Clerk/RFO and authorised employees and shall be subject to automatic payment in full at each month-end. Personal credit or debit cards of employees shall not be used under any circumstances.
- 6.19. The RFO may provide petty cash to officers 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 RFO shall maintain a petty cash float of £500 for the purpose of defraying operational and other expenses. Vouchers for payments made from petty cash shall be kept to substantiate the payment and be limited to £100 maximum per claim.
 - b) Income received must not be paid into the petty cash float but must be separately banked, as provided elsewhere in these regulations.

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 Finance & General Purposes Committee.
- 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 separate confidential record (confidential cash book). 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; or
 - 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. An effective system of personal performance management should be maintained for all staff.
- 7.7. Any termination payments shall be supported by a clear business case and reported to the council. Termination payments shall only be authorised by council.
- 7.8. Before employing interim staff the council 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/Welsh Assembly Government (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. The council will arrange with the council's Banks and Investment providers for the sending of a copy of each statement of account to the Chairman of the council at the same time as one is issued to the Clerk or RFO.
- 8.4. 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.
- 8.5. 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.
- 8.6. All investments of money under the control of the council shall be in the name of the council.
- 8.7. All investment certificates and other documents relating thereto shall be retained in the custody of the RFO.
- 8.8. 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 Clerk (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 Clerk (RFO) who shall be responsible for the collection of all accounts due to the council.
- 9.3. The council will review all fees and charges at least annually, following a report of the Clerk (RFO).
- 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 Clerk (RFO). In all cases, all receipts shall be deposited with the council's bankers with such frequency as the Clerk (RFO) considers necessary.
- 9.6. The origin of each receipt shall be entered on the paying-in slip.
- 9.7. Personal cheques shall not be cashed out of money held on behalf of the council.
- 9.8. The Clerk (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.
- 9.9. Where any significant sums of cash are regularly received by the council, the Clerk (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.
- 9.10. Any income arising which is the property of a charitable trust shall be paid into a charitable bank account. Instructions for the payment of funds due from the charitable trust to the council (to meet expenditure already incurred by the authority) will be given by the Managing Trustees of the charity meeting separately from any council meeting (see also Regulation 16 below)

10. **ORDERS FOR WORK, GOODS AND SERVICES**

- 10.1. An official order shall be issued for all work, goods and services including a formal contract to be prepared. Copies of orders shall be retained and attached to invoices for payment of services received.
- 10.2. Order books shall be controlled by the RFO and emergency order book by an appointed officer.
- 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 **Error! Reference source not found.** below. Copies of such estimates should be attached to winning contractors invoices to show price comparisons.

- 10.4. A member may not issue an official order or make any contract on behalf of the council.
- 10.5. 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.
 - b. Where it is intended to enter into a contract exceeding £100,000 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.i.1.a) the Clerk shall invite tenders from at least three firms to be taken from the appropriate approved list.
 - c. 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.
 - d. 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.
 - e. 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.
 - f. If less than three tenders are received for contracts above £100,000 or if all the tenders are identical the council may make such arrangements as it thinks fit for procuring the goods or materials or executing the works.
 - g. Any invitation to tender issued under this regulation shall be subject to the Council's Project Approval Policy and shall refer to the terms of the Bribery Act 2010.
 - h. When it is to enter into a contract of less than £100,000 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 £100,000 and above £25,000 the Clerk (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.
- k. 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 set in Financial Regulation 11.1 h, 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.
- l. 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 and also the Public Contracts (Amendment) Regulations 2022.

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 Clerk 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 £1000.
- 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. 14.2 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 Clerk (RFO) shall effect all insurances and negotiate all claims on the council's insurers
- 15.2. The Clerk shall give prompt notification to the RFO of all new risks, properties or vehicles which require to be insured and of any alterations affecting existing insurances.

- 15.3. The RFO shall keep a record of all insurances effected by the council and the property and risks covered thereby and annually review it.
- 15.4. 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.
- 15.5. 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 annually by the council.

16. CHARITIES

- 16.1. Where the council is sole managing trustee of a charitable body the Clerk (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 and RFO 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 (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.
- 17.2. When considering any new activity, the Clerk (RFO) shall prepare a draft risk assessment including risk management proposals for consideration and adoption by the council.

18. SUSPENSION AND REVISION OF FINANCIAL REGULATIONS

- 18.1. It shall be the duty of the council to review the Financial Regulations of the council from time to time. The Clerk 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.
- 18.2. 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.

* * *

These Model Financial Regulations templates were produced by the National Association of Local Councils (NALC) in July 2019 for the purpose of its member councils and county associations.

C – Complaints Procedure

1. *If a complaint about procedures or administration is notified orally to a Councillor or the Clerk, and it is not possible to satisfy the complainant fully forthwith, the complainant shall be asked to put the complaint in writing to the Clerk and be assured that it will be dealt with promptly after receipt.*
2. *If a complainant indicates that he would prefer not to put the complaint to the Clerk he shall be advised to put it to the Chairman of the Council.*
3. *On receipt of a written complaint the Clerk or Chairman, as the case may be, shall (except where the complaint is about his own actions) try to settle the complaint directly with the complainant but shall not do so in respect of a complaint about the behaviour of the Clerk or a Councillor without first notifying the person complained of and giving him the opportunity to comment on the manner in which it is intended to attempt to settle the complaint. Where the Clerk or the Chairman receives a written complaint about his own actions he shall forthwith refer the complaint to the Council.*
4. *The Clerk or Chairman shall report to the next meeting of the Council any written complaint disposed of by direct action with the complainant.*
5. *The Clerk or Chairman shall bring any written complaint which cannot be settled to the next meeting of the Council and the Clerk shall notify the complainant of the date on which the complaint will be considered.*
6. *The Council shall consider whether the circumstances attending any complaint warrant the matter being discussed in the absence of the press and public but any decision on a complaint shall be announced at the Council meeting in public.*
7. *As soon as possible after the decision has been made it, and the nature of any action to be taken, shall be communicated in writing to the complainant.*

D - THE CODE OF CONDUCT (LOCALISM ACT 2011).

A copy of the code follows, all Members must ensure that they are full aware of its contents. EXPLANATORY NOTE FOR COUNCIL MEMBERS By law, all Councillors are required to follow their Council's Code of Conduct when acting in their capacity as a Councillor.

The Code set out below has been adopted by New Milton Town Council to fulfil its obligations under section 27 (2) of the Localism Act 2011, and is consistent with the following principles of public life set out in the Act: selflessness; integrity; objectivity; accountability; openness; honesty, and leadership.

If you have any doubt about whether any action you propose to take may be in breach of the Code, you should seek advice from the Parish Clerk beforehand. However, please remember that responsibility for your actions remains at all times with you.

Anyone who considers you have failed to comply with this Code may make a formal complaint about you, which will be dealt with by New Forest District Council. The District Council has adopted procedures for dealing with complaints. If a complaint is upheld, this may lead to your formal censure, adverse publicity (“naming and shaming”), or a recommendation to the Town Council that you be removed from a Committee or other position.

Apart from the provisions of this Code, members are required to register and disclose both pecuniary and non-pecuniary interests, as set out in the law and the Council’s Standing Orders. Failure to comply with the law as it applies to dis-closable pecuniary interests is a criminal offence. (This explanatory note does not form part of the Code).

CODE OF CONDUCT

Whenever you are acting in your capacity as a Councillor:

- 1. You must not use, or try to use, your position improperly to obtain an advantage or disadvantage for yourself or any other person or body.*
- 2. You must not use your Council’s resources improperly for political purposes or any other purposes forbidden by your Council.*
- 3. You must not do anything that compromises, or is likely to compromise, the impartiality of those who work for the Council.*
- 4. You must not bully anyone.
(Bullying is offensive, intimidating, malicious, insulting or humiliating behaviour that is directed at someone over whom you have some actual or potential influence).*
- 5. You must not intimidate, or try to intimidate, anyone who has complained about you or who may be involved with a complaint about you.*
- 6. You must not disclose information that you know, or ought to know, is confidential, without authority or a legitimate reason.*
- 7. You must not prevent, or try to prevent, anyone from obtaining information to which they are entitled by law.*
- 8. You must not do anything that may cause your Council to breach any of the Equality laws that prohibit discrimination on grounds such as age, sex, race, disability, religion/belief, sexual orientation or pregnancy.*

