



20th June 2017

In accordance with Paragraphs 7 & 10(2) (b) of Schedule 12A of the Local Government Act 1972 I hereby summon you to attend a Meeting of **PETERLEE TOWN COUNCIL** to be held in the Council Chamber, Shotton Hall, Peterlee, SR8 2PH, on **Monday 26th June 2017 at 6.30pm**

Ian Morris M.C.I.H.

Town Clerk

(Proper Officer of the Council)

Members of the Committee and members of the public are reminded that the public part of the meeting may be recorded in both audio and video, and photographs may be taken.

MEMBERS ARE REMINDED OF THE NEED TO DISCLOSE ANY INTEREST, PREJUDICIAL OR PERSONAL, IN ACCORDANCE WITH THE CODE OF CONDUCT.

BUSINESS TO BE TRANSACTED

1. **APOLOGIES FOR ABSENCE**
2. **PUBLIC PARTICIPATION SESSION**

Will be held to allow Members of the public an opportunity to put questions to the Council. This item of business to last no more than 15 minutes, as per Council Standing Orders.

3. TO APPROVE THE MINUTES OF THE COUNCIL MEETING OF THE 15TH MAY 2017

(attached)

4. ACCEPTANCE OF OFFICE – DENEHOUSE WARD – D CURRY

Members will receive an update on the position in relation to Mr D Curry's acceptance of Office.

5. THE MINUTES OF THE RESOURCES COMMITTEE OF THE 5RD JUNE 2017

(attached)

6. THE MINUTES OF THE COMMUNITY & ENVIRONMENT COMMITTEE OF THE 12TH JUNE 2017

(attached)

7. 12 Month Budget outturn report, 1st April 2016 to 31 March 2017

(report of the Town Clerk, circulated)

8. AUDIT 2016/17

Members are recommended to approve the following reports in relation to the 2016/17 Annual Governance Statement, Accounting Statement and supporting documentation.

(i) Approval of 2016/17 Annual Governance Statement

(report of the Town Clerk, circulated)

(ii) Accounting Statements 16/17 for Peterlee Town Council

(report of the Town Clerk, circulated)

(iii) Statement of Accounts for the period 1 April – 31 March 2017

(report of the Town Clerk, circulated)

(attached)

9. Replacement flooring – Hill Rigg House & Shotton Hall

Members are requested to note and endorsement action taken by the Town Clerk under delegated powers to replace safety flooring at these sites.

(report of the Town Clerk, circulated)

10. Review of Standing Orders, Financial Regulations and Officers scheme of delegation

Members are requested to note the review of the Council's Standing Orders, Financial Regulations and Officers Scheme of Delegation in light of the new Council committee structures and to approve the new versions of these documents and other recommendations contained within the report.

(report of the Town Clerk, circulated)

11. **Request for Concessionary use – Cancer United, Support and Exercise Group for cancer patients, The Pavilion, Wednesday evenings, June- July, 2 hours**

To seek Member's consideration of a request for concessionary use of the Pavilion Sports & Community Centre by this community group.

(verbal report of the Deputy Town Clerk)

12. **Bar Prices**

Members will be presented with information in relation to the recent bar price increases at Shotton Hall and The Pavilion.

(verbal report and presentation from the Town Clerk and the Facilities Manager, requested by Cllr Lee Cook)

13. **Update on Council Staffing Restructure**

Members will be provided with a verbal update on progress with a proposed restructure of the Council's staffing structure.

(Verbal report of the Town Clerk, requested by Cllr Lee Cook)

14. **SPOKESPERSON OF THE NEP MEMBER'S REPORT**

15. **SPOKESPERSON OF THE LABOUR POLITICAL PARTY'S REPORT**

PETERLEE TOWN COUNCIL

MINUTES OF MEETING OF THE TOWN COUNCIL HELD

IN THE COUNCIL CHAMBER, SHOTTON HALL, PETERLEE

ON MONDAY 15TH MAY 2017

PRESENT: COUN L COOK (CHAIR)

**Mesdames: S Simpson, A C Long, K Hawley, V Watson,
K J Duffy & M A Cartwright**

**Messrs: G L Carne, S D McGlen, S Miles, S P Franklin,
R Moore, A T Wilkinson, A S H Meikle, A Watson, T
Duffy, S Kirkup, R Kyle & J M S Robinson**

**MEMBERS WERE REMINDED OF THE NEED TO DISCLOSE ANY INTEREST
PREJUDICIAL OR PERSONAL IN ACCORDANCE WITH THE CODE OF CONDUCT.**

1. TO ELECT A MAYOR FOR THE ENSUING YEAR

Members were asked to elect a Mayor for the ensuing year. There were two nominations put forward for this position, Councillors L Cook and S Miles and a vote was taken by way of show of hands.

RESOLVED that Councillor L Cook be elected as Mayor for the ensuing year.

The Mayor, thanked his colleagues for their support and pledged he would do his best to represent the Town and the people of Peterlee in his role as Mayor. He thanked the former Mayor, Councillor Cartwright for her dedication and commitment to the Council in carrying out the role of Mayor for the past two years and also the Deputy Mayor, Councillor Miles.

He then appointed Councillor Miss V Watson as his Mayoress.

RESOLVED the information given, be noted.

2. **TO SIGN THE DECLARATION OF ACCEPTANCE OF OFFICE**

The Mayor then signed the Declaration of Acceptance of Office. Other Councillors had signed their acceptance at the induction held on Tuesday 9th May 2017, except Councillor Curry. Members were requested to consider granting approval for Councillor Curry to sign his acceptance of office no later than the next council meeting.

RESOLVED a dispensation be granted to Councillor Curry for him to sign his acceptance no later than the next Council meeting on 26th June 2017.

3. **PRESENTATION TO FORMER MAYOR OF PETERLEE TO MARK HER TWO YEARS OF OFFICE**

As the newly elected Mayor, Councillor Cook presented Councillor M A Cartwright with a medal to mark her two years of office. Councillor Cartwright made a short speech, stating that the last two years had been incredibly busy and she hoped that the good work achieved and

the positive vibe would continue. She thanked everyone that had supported her during what had been an enjoyable two years in office.

RESOLVED the information given, be noted.

4. **TO ELECT A DEPUTY MAYOR & CONSORT**

Nominations for the post of Deputy Mayor were invited.

RESOLVED Councillor M A Cartwright be elected as Deputy Mayor for the ensuing year. Councillor Cartwright advised her Consort would be her husband Paul.

5. **REGISTER OF DISCLOSABLE PECUNIARY INTEREST & OTHER REGISTERABLE INTERESTS**

All Members were asked to make sure they returned their completed Interest Forms no later than the required 28 days.

RESOLVED Members complete and return their forms as soon as possible for them to be relayed onto Durham County Council.

6. **TO ANNOUNCE A SPOKESPERSON FOR THE MAJORITY PARTY**

RESOLVED Councillor A Watson be named as the spokesperson for the majority party.

7. **TO ANNOUNCE A SPOKESPERSON OF THE MINORITY PARTY**

RESOLVED Councillor R Kyle be named as the spokesperson for the minority party.

8. **APOLOGIES FOR ABSENCE**

Apologies for absence were submitted and accepted on behalf of Councillor S McDonnell & K Liddell.

RESOLVED the Council approve the apologies for absence received and their apologies for absence be recorded.

9. **THE MINUTES OF THE LAST MEETING** a copy of which had been circulated to each Member, were agreed

10. **TO CONFIRM THE DATE OF THE 2018 SHOW AS THE BANK HOLIDAY IN AUGUST 25th & 26th AUGUST 2018**

RESOLVED the date of the Peterlee Show in 2018 be the Bank Holiday weekend of 25th & 26th August 2018.

11. **COMMITTEES & SUB-COMMITTEES**

a) **To approve the Terms of Reference and constitution of the Councils Committees**

RESOLVED the new committee structure and terms of reference for the Town Council be agreed and adopted.

COUNCILLORS R KYLE, S MILES & M A CARTWRIGHT DECLARED AN INTEREST AS MEMBERS OF THE PETERLEE & NORDENHAM FRIENDSHIP ASSOCIATION AND TWINNING, AND TOOK NO PART IN THE DISCUSION WHICH ENSUED ON THE TWINNING WORKING PARTY.

b) To appoint representatives to the following committees, along with the Chair and Vice Chair:-

- Council – all 22 members, L Cook (Chair) & M A Cartwright (Vice Chair)
- Resources Committee – all 22 members, A Watson (Chair) & S Kirkup (Vice Chair)
- Community & Environment Committee – all 22 members, M A Cartwright (Chair) & S Meikle (Vice Chair)

- ◆ Human Resources Sub Committee – S Miles (Chair), G Carne, (Vice Chair), A Watson, L Cook, R Moore, K Duffy, T Duffy, S Meikle, R Kyle, S Kirkup, J Robinson, S McGlen.
 - Appeals Sub – G Carne, S Miles, S Simpson & K Hawley
 - Town Clerk's Appraisal Sub Committee – S Meikle, K Hawley, R Moore, A Watson

- ◆ Health & Safety Sub Committee – A Long, (Chair), G Carne, (Vice Chair) and A Watson, L Cook, D Curry, S Franklin, K Duffy, T Duffy, S Miles, J Robinson, R Kyle & S McGlen.

- ◆ Events sub committee - S Meikle, (Chair), J Robinson, (Vice Chair) and A Watson, L Cook, R Moore, V Watson, T Duffy, S Kirkup, A Wilkinson, M A Cartwright, R Kyle & S McGlen

- ◆ Sports & Wellbeing Sub Committee – S Franklin, (Chair), L Cook, (Vice Chair) and A Watson, D Curry, J Robinson, S Meikle, K Duffy, T Duffy, S Miles, A Wilkinson, R Kyle & S McGlen

- ◆ Facilities Sub Committees – A Watson, (Chair), S Franklin and L Cook, V Watson, M A Cartwright, S Meikle, K Duffy, A Long, S Kirkup, D Curry, R Kyle & S McGlen

- ◆ Finance Sub Committee

RESOLVED a report be submitted to the next Resources Committee outlining what was required by the Bank as a signatory on the account, (required to sign cheques ect), and membership be agreed then.

Scrutiny Working Party

S McDonnell, R Moore, A Long, M A Cartwright & A Watson

Shotton Hall Working Party

K Hawley, A Watson, R Moore, M A Cartwright, R Kyle & S McGlen

The Pavilion Working Party

S Kirkup, S Miles, A Watson, R Kyle & J Robinson

Parks & Play Areas Working Party

To be agreed when required

Peterlee Show Working Party

Initially All Members

Environment Working Party

To be agreed when required

Twinning Working Party

Councillors S Miles, S McGlen, R Kyle, S Kirkup, J Robinson & D Curry

Mayor's Committee

All members

Remembrance Day Parade Working Party

Composition to be agreed.

c)To Appoint Chairman & Vice-Chairman of the Following Committees:-

- **Council – L Cook & M A Cartwright**
- **Resources Committee – A Watson & S Kirkup**
- **Community & Environment Committee – all 22 members, M A Cartwright & S Meikle**

- ◆ Human Resources Sub – S Miles & G Carne
- ◆ Health & Safety Sub Committee – A Long & G Carne
- ◆ Events sub committee – S Meikle & J Robinson
- ◆ Sports & Wellbeing Sub Committee - S Franklin & L Cook
- ◆ Facilities Sub Committee - A Watson & S Franklin
- Scrutiny Working Party – S McDonnell
- Shotton Hall Working Party – to be confirmed at the first meeting
- The Pavilion Working Party – to be confirmed
- Parks & Play Areas Working Party – to be confirmed
- Peterlee Show Working Party – Councillor S Miles & V Watson
- Environment Working Party – to be confirmed
- Twinning Working Party – to be confirmed

12. **DELEGATES TO OTHER BODIES**

RESOLVED the following representatives be appointed to serve on the bodies listed:-

1. **County Durham Association of Local Councils Larger Local Council Forum**

A Watson, L Cook and the Town Clerk

2. **Easington Area (Durham County Association of Parish & Town Councils)**

M A Cartwright, K Duffy & R Kyle

3. **Castle Eden Dene Joint Management Committee**

M A Cartwright, K Duffy & V Watson

4. **Peterlee Town Band**

S Meikle & M A Cartwright

5.) **Passmore Pavilion Local Steering Group**

A Watson

6. Shotton Airfield Consultative Committee

A Long

7. Healthworks, Easington

A Wilkinson

8. Peterlee Cricket Club

S Meikle

9. Rugby – Peterlee Pumas

T Duffy

13. PLANNING APPLICATIONS

Members were advised of receipt of the following planning applications by Durham County Council and asked for their comment and feedback on them.

- (a) **18 Barsloan Grove, rear two storey rear extension**
- (b) **7 Church Close, single storey front, two storey side and single storey rear extensions**
- (c) **7 Alston Walk, erection of two storey extension to side and two storey and single storey extension to the rear**
- (d) **75 Christchurch Place, single storey extension to side**

Details of a further application relating to the re location of Peterlee Library within the Leisure Centre and associated refurbishment was reported. There was considerable discussion on the proposal and whilst the Council fully supported the re-location of the library in order to facilitate the demolition of the former college and the re-development of the site. However, Members felt there were far more suitable places where the library should be re located to within the Town Centre and that were worthy of consideration. Members felt

the parking at the Leisure Centre along with access were not suitable along with the correct environmental conditions for a library. Members also felt the library was a valuable resource, not only for the traditional services but also as a meeting place and a place for users to access to IT facilities.

RESOLVED representations as detailed be made to Durham County Council on the proposal to re locate the Library to the Leisure Centre.

14. **ASSET OF COMMUNITY VALUE NOMINATION – THE HEARTS OF OAK, PETERLEE**

Members were asked to consider whether the Council should submit any representations on the nomination from the Hearts of Oak Supporters Group to have the public house listed as an Asset of Community Value under the Community Right to Bid Legislation.

RESOLVED the Town Council support the bid made by the Hearts of Oak Supporters Group Peterlee to have the Hearts of Oak listed as an Asset of Community Value.

15. **SPOKESPERSON FOR THE MAJORITY PARTY'S REPORT**

Councillor A Watson congratulated newly elected Members and those who had been re-elected to the Town Council. He commented that whilst each individual may have different opinions on issues, everyone was here for the right reasons, and they should enjoy their role, remembering they are a Team and he encouraged everyone to do their best for Peterlee.

RESOLVED the information given be noted.

16. SPOKESPERSON OF THE MINORITY PARTY'S REPORT

Councillor Kyle agreed with Councillor Watson's sentiments echoing they wished to work together and get along, doing their best working together for the community.

RESOLVED the information given be noted.

DRAFT

THE MINUTES OF THE MEETING OF THE
RESOURCES COMMITTEE HELD IN THE COUNCIL CHAMBER, SHOTTON HALL,
PETERLEE ON MONDAY 5TH JUNE 2017 AT 6.30PM

PRESENT: COUN A WATSON (CHAIR)

**Mesdames:- K Hawley, K Duffy, A C Long, S Simpson, V Watson, K Liddell
& M A Cartwright**

**Messrs:- S McGlen, S Franklin, S Miles, G L Carne, R Moore, T Duffy, R Kyle,
S Meikle, J Robinson, L Cook & S Kirkup**

The Chairman advised Members of the committee that part of the meeting may be recorded by both audio and video, and it may be that photographs were taken.

Prior to the start of the meeting the Chair asked Members to stand in a minutes silence as a mark of respect for those affected by the recent incidents in Manchester and London.

The Chair also took this opportunity to congratulate and welcome the new Members of the Council to this their first formal meeting of the new municipal year.

1. APOLOGIES FOR ABSENCE

Apologies had been submitted and accepted from Councillors S McDonnell & A Wilkinson, (work commitments).

RESOLVED the Council approve the reason submitted for absence received from the Councillors listed, and their apologies for absence be recorded.

2. To receive declarations of interest

Members were reminded of the need to disclose any interests in items on this agenda, whether pecuniary or otherwise. **RESOLVED** the information given, be noted.

3. Sites in Peterlee – potential new residential homes

The Chair welcomed Tom Winter, Development Officer, Assets & Regeneration, County Durham Housing Group. Tom provided a brief presentation on plans for public consultation on new affordable house building in Matterdale Road, Thames Road and Tamar Close, Peterlee in the form of 'Rent to Buy' houses and social rented bungalows for elderly and disabled residents. Members had the opportunity to express their views on the proposals and details were given of the two consultation events to be held on 14th June and 20 June 4 – 6pm. Members asked if priority could be given to Peterlee residents

and suggested if possible this be included in the local lettings policy for these properties. Mr Winter was also asked to provide details on demand for properties in the Peterlee area at the consultation events.

RESOLVED the information given, be noted.

4. Internal Audit Report

The Chair welcomed Stephen Carter, Audit & Fraud Manager, Durham, County Council, who presented an update report and the annual Internal Audit Report for the 2016/7 financial year. He gave Members details on work undertaken by Internal Audit between 1 April 2016 and 31 March 2017. The report showed the six assurance reviews planned had been completed, details were given on the response to audit recommendations contained within the action plans of the individual audit reports, and followed up by internal audit. No unplanned activities had been carried out during the period.

RESOLVED the outturn position on progress made in delivering the internal audit plan for 2016/17 together with that made by managers in responding to the work of internal audit to gain assurance on the adequacy and effectiveness of the internal control environment, be noted.

4. The Minutes of the Last Meeting

Members approved the minutes of the last meetings of the Finance & General Purposes Committee, Establishment and Planning Committees as true records.

5. Councillor Training – 26 July, Councillor Training and 31 July, Chairmanship

Members were requested to confirm, (or otherwise) their attendance at this training. The Town Clerk encouraged aa Members to take advantage of the training.

RESOLVED those not wishing to attend the training advise the Office.

6. The Report of the Finance Sub Committee Meetings of the 27th April 2017 & 25th May 2017

RESOLVED the payments listed and made be noted.

7. Statement of Accounts 2016/17

Members were recommended to consider the statement of accounts 2016/17, prior to submission to Council for approval on 26th June 2017. Several queries were raised at the meeting and it was suggested that further information be provided in the form of a workshop/training event to assist new Councillors with their consideration of budgetary financial reports.

RESOLVED the Statement of Accounts be considered further at the next Council Meeting.

8. The Changing face of Parish Councils

Members were circulated with details of an article in LocalGov magazine re the Changing Face of Parish Councils. Members were asked to provide feedback on any issues of interest or areas for expansion in future training sessions.

RESOLVED Members contact the Clerk/Deputy with feedback on any issues of interest.

9. Complaints Procedure in dealing with abusive, un reasonable or vexatious complaints

Members were recommended to approve the draft 'Abusive, Unreasonable or Vexatious Complaints Policy' as a supplement to the Corporate Complaints Policy adopted by the Council in April 2017. A copy of the policy had been circulated to each Member. A Local Member made reference to recent events at The Pavilion and suggested all staff needed to be fully trained in dealing with difficult situations.

RESOLVED the Policy dealing with those making abusive, unreasonable or vexatious complaints to the Town Council which supplemented the complaints policy adopted in April 2017, was approved.

10. Members Initiative Fund

(a) Message of thanks – Acre Rigg Over 60's Club

RESOLVED the information contained in the thankyou card, be noted.

(b) Peterlee Helford FC under 7 & 8's – Trophy Night, The Pavilion, Saturday 10th June 2017 – request for concessionary use & Peterlee Helford FC under 17's – Trophy Night, Friday 30th June 2017

RESOLVED free use be granted for these events.

(c) East Durham Wellbeing for Life Partnership Forum, 27 June 2017,

Members were advised this request had now been withdrawn.

RESOLVED the information given be noted.

11. "Do it on line"

The Town Clerk demonstrated the reporting facility for DCC which Members found very useful an informative.

12. RESOLUTION TO EXCLUDE THE PRESS AND PUBLIC

IN VIEW OF THE CONFIDENTIAL NATURE OF THE FOLLOWING ITEMS TO BE DISCUSSED, THE COMMITTEE PASSED THE FORMAL RESOLUTION TO EXCLUDE THE PRESS AND PUBLIC FROM THE MEETING, PURSUANT TO THE PUBLIC BODIES (ADMISSIONS TO MEETINGS) ACT, 1960 & THE LOCAL GOVERNMENT (ACCESS TO INFORMATION) ACT 1985.

13. Membership of the Finance Sub Committee

Members considered the report of the Deputy Town Clerk in this regard, a copy of which had been circulated to each Member.

RESOLVED:-

- (a) Approval be given to contact the bank to take off the following signatories – C J Metcalfe, W M Jeffrey, J Alvey, G Cowie, J Measor, M Milsom, M J Thompson, D Sillito, F Price, C Robbins, J Russell, R J Curtis, L M Wood, D Milsom, C M Baty, C Watkins.
- (b) The Members that were willing to complete the necessary paperwork to become a signatory on the Bank Account and be part of the Finance Sub Committee do so as soon as possible.

14. Fake Festival

Members congratulated the Town Clerk and Officers who had volunteered at the recent Fake Festival which they felt had been a huge success. The Town Clerk reported that it had been a team effort, and asked for particular recognition for the members of a staff Working Group who had taken the event on and had worked hard, often in their own time away from work, to make the event a success. The following staff were commended for their efforts on that working group: W. Jeffrey, D. Flanagan, J. Hughill, K. Green, P. Forster.

RESOLVED the information given, be noted.

THE MINUTES OF THE MEETING OF THE
COMMUNITY & ENVIRONMENT COMMITTEE HELD IN THE COUNCIL CHAMBER, SHOTTON HALL,
PETERLEE ON MONDAY 12TH JUNE 2017 AT 6.30PM

PRESENT: COUN L COOK (CHAIR)

Mesdames:- S Simpson, K Duffy, K Hawley & A Long

Messrs:- G L Carne, R Moore, S Miles, R Kyle, T Duffy, S Meikle, S McGlen, A Wilkinson & A Watson

The Chairman advised Members of the committee that part of the meeting may be recorded by both audio and video, and it may be that photographs were taken.

1. APOLOGIES FOR ABSENCE

Apologies had been submitted and accepted from Councillors K Liddell, (broken arm), S Franklin, (work), V Watson, M A Cartwright & A Wilkinson, (work commitments).

RESOLVED the Council approve the reason submitted for absence received from the Councillors listed, and their apologies for absence be recorded.

2. To receive declarations of interest

Members were reminded of the need to disclose any interests in items on this agenda, whether pecuniary or otherwise. **RESOLVED the information given, be noted.**

3. The Minutes of the previous Parks & Cemetery Meeting of 10th April 2017, a copy of which had been circulated, were approved and signed as a true record.

4. No Smoking Policy

Members were requested to consider and approve the No Smoking Policy, a copy of which had been previously circulated. **RESOLVED the No Smoking Policy be approved and adopted immediately.**

5. New Rules for Dog Owners from 1 June 2017 – Public Space Protection Order

Members were requested to note the new rules for dog owners in County Durham to be applied from 1 June 2017 under the new Public Space Protection Order and a copy of an e mail form Steve Ragg, CDALC was circulated to each Member. Members asked questions about the new Order and the Town Clerk outlined what measures he hoped the Town Council may take in relation to dog fouling in the Town ie training Town Council Officers to become authorised officers in relation to the PSPO and its powers. He stressed in the meantime Members could make individual reports on dog fouling to Durham County Council. Members asked if the Town Clerk could ask DCC if they intended to erect

new signage re enforcing the PSPOs. **RESOLVED** progress be awaited with what measures the Town Council could take in relation to supporting the PSPO in Peterlee.

6. Sports Development Activities

Members considered the progress report from the Sports Development Officer updating Members on the work of the Sports Development Team. At this point in the meeting the town Clerk updated Members with details of incidents that had occurred at Helford Road during a cricket match with anti social behaviour and underage drinking. It was reported a joint meeting with the various interested partners and the Police had been held this evening. There was also an issue of motorbikes being off road. Members and residents were encouraged to continue to make reports on the 101 number. The Police were to give their support in tackling the issues at Helford Road. **RESOLVED** the information given, be noted and the contents of the report be accepted.

7. Thorntree Gill & Lowhills Road Allotment sites – Progress/Update

Prior to any discussion on the matter, Councillor T Duffy declared an interest in the item.

The Town Clerk gave a verbal update on the two leisure gardens sites. He was pleased to report that the Town Council were in a positive position in relation to the Lowhills Road site and he would continue to advise on progress. Thorntree Gill had a well established Association and Committee and he was currently looking into the various models of lease and agreements that could be implemented at the site. The issue of the temporary rain shelter that was in place and also the current policy of there being no fires allowed at the site were discussed. Following consideration it was **RESOLVED**:

- (a) **Approval be given in principle to replace the current temporary steel cabin being used as a rain shelter at the Thorntree Gill site, this being subject to procurement procedures being applied planning permission, (if required), and budget provision being available;**
- (b) **Council agree in principle to a new agreement to be drawn up between the Council and the Thorntree Gill Association, as soon as possible and to be reported back to the Committee for final approval;**
- (c) **A further report be prepared on allowing fires on the site.**

Report to: Peterlee Town Council

Date of Meeting: 26th June 2017

Subject: 2016/17 Financial Year Budget outturn report

Report of: Ian Morris, Town Clerk

Report Purpose: To provide Members with a budget outturn report for the 2016/17 financial year, in line with s5.8 of the Council's Financial Regulations¹.

Background: Section 5.8 of the Council's Financial Regulations provides that as the Council's Responsible Financial Officer (RFO) I am required to provide a statement comparing actual expenditure to that planned in the budget for each head of the Council's budgets. These statements are prepared at the end of each financial quarter and provide explanations of material variances, i.e. in excess of 15% of the budget.

The working process that enables this report is as follows:

- End of quarter budget report produced by our Finance Team and circulated to Budget holders
- 1:1 meeting between budget holders, Town Clerk/RFO and Finance Officer
- Variance report produced and discussed with each budget holder
- Report to Resources Committee and/or Council for discussion and approval.

This report represents the Council's position at the end of 2016/17 Financial Year, i.e. as at 31st March 2016. Although Financial Regulations require me to report on variances in excess of 15%, for the purposes of this report I have included variances in excess of 10% in a table attached as Appendix 1 to this report.

Year end summary: A summary of the 2016/17 budget outturn position is as follows:

Budget <u>gross</u> expenditure (year)	£2,265,577
Budget <u>net</u> expenditure (year)	£1,626,005
Actual gross expenditure (year)	£1,956,594
Actual net expenditure (year)	£1,364,697
Annual Precept & support grant (year)	£1,540,166

¹ Council's financial regulations are available from the Town Clerk on request or here:
<http://www.peterlee.gov.uk/wp-content/uploads/sites/37/2016/10/Financial-regs-amended-October-2016.pdf>

Net surplus in year end accounts

£150,822

In summary, at the end of the 2016/17 financial year the Town Council had incurred £308,983 less gross expenditure (£261,308 less net expenditure) than budgeted for at the start of the year. The effect of this net underspend was a surplus of £150,822 being reported in the year end accounts.

A table outlining variances from budget for each main budget heading is provided in appendix 1 to this report. Where variances in each budget line are more than 10% of budget a brief explanation has been provided.

The main drivers for the variances were:

- A reduction in staff costs due to a number of vacancies not being filled during the year;
- A reduction in a number of expenditure areas including training, stock purchases, etc
- Deferral of a number of capital projects.

Although the financial position in the year end may appear to be positive, i.e the Council spent less than it had budgeted to spend, Members are asked to note that the vacancies in the Facilities and Parks & Horticulture departments are unlikely to be sustainable in the longer term. Members will soon be presented with detail of the proposed restructure which will look to address the issue of staffing resources in these areas.

Furthermore, Members are asked to note that a substantial part of the net surplus consists of underspent or deferred capital expenditure on key assets such as Shotton Hall, Eden Lane rugby club, the MUGA at Helford Road. There is budgeted provision for capital expenditure on these assets in the current 2017/18 financial year, and further detail on longer term investment plans is being undertaken by the Council's Scrutiny Committee as part of their work on a new Use of Reserves Policy for the Council. A further report on progress with this Policy will be presented to Resources Committee in due course.

Recommendation: Members are recommended to note the content of this report and approve the 2016/17 budget outturn position.

Appendix 1: Analysis of 2016/17 budget outturn per budget heading, with explanatory notes for variance >10%

Budget head	2016/17 Budget	Actual	Variance	% of Budget	Narrative to explain variances of more than 10% of budget
Central & Civic HQ Costs (net)	£446,155	£393,729	(£52,426)	11.8%	Small saving in staff costs; reduction in overtime (zero for year); £7 reduction in pension contribution to former staff
Democratic Costs	£42,000	£29,994	(£12,006)	28.6%	reduction in training and development costs for councillors; Mayors civic duties underspent by £3k; zero spend on civic regalia
Corporate Management	£18,650	£22,688	£4,038	21.7%	increase in subs to professional bodies; increase in audit fees; increase in banking fees
Other Costs & Income (net)	(£1,528,625)	(£1,544,333)	(£15,708)	1.0%	
Shotton Banqueting Suite (net)	£128,590	£114,321	(£14,269)	11.1%	reduction in staffing costs, various small reductions across budget headings
Shotton Hall Bar (net)	(£76,220)	(£69,873)	£6,347	8.3%	reduction in staffing costs; reduction in stock purchases
Shotton Hall Catering (net)	(£25,000)	(£30,638)	(£5,638)	22.6%	reduction in catering costs due to lower levels of business than anticipated
The Pavillion (net)	£228,900	£210,289	(£18,611)	8.1%	
The Pavillion Bar (net)	(£20,320)	(£22,817)	(£2,497)	12.3%	reduction in staff costs
Lowhills Road Community facility (net)	£20,856	£13,443	(£7,413)	35.5%	reduction in staff costs
Lowhills Road Bowling Club (net)	£6,876	£5,001	(£1,875)	27.3%	reduction in staff costs
Eden Lane Community Facility (net)	£38,343	£42,762	£4,419	11.5%	reduction in mast rental income; reduction in Sure Start hire income
Eden Lane Depot (net)	£26,010	£19,260	(£6,750)	26.0%	reduction in staff costs and repairs/maintenance
Eden Lane Bowling Club (net)	£4,646	£4,655	£9	0.2%	
Woodhouse Park	£45,744	£39,097	(£6,647)	14.5%	reduction in staff costs
Sports Development (net)	£50,000	£40,024	(£9,976)	20.0%	increased income from classes, grant funding, etc
Parks General (net)	£312,010	£327,411	£15,401	4.9%	
Cemeteries & Burials (net)	£35,545	£26,011	(£9,534)	26.8%	increase in income due to higher levels of activity
Allotments (net)	£6,120	£3,012	(£3,108)	50.8%	reduction in staff costs
Town Centre office (net)	£21,735	£21,857	£122	0.6%	

Appendix 1: Analysis of 2016/17 budget outturn per budget heading, with explanatory notes for variance >10%

Budget head	2016/17 Budget	Actual	Variance	% of Budget	Narrative to explain variances of more than 10% of budget
Town Activities (section 137)	£15,765	£19,490	£3,725	23.6%	increased expenditure on Members' donations;
Town Events (net)	£59,100	£68,491	£9,391	15.9%	Peterlee Show budget increased by £9k by members in-year;
Capital Projects	£242,500	£104,198	(£138,302)	57.0%	underspend on Shotton Hall (£40k) and Eden Lane (rugby club) works (£23k); deferred expenditure on MUGA (£45k), and organisational strategy fund (£25k)

Agenda Item: 8 (i) Annual Governance Statement 2016/17

Report to: Peterlee Town Council

Date: 26th June 2017

Report of: Ian Morris, Town Clerk

Report Title: Approval of the Annual Governance Statement 2016/17

Purpose: This report is intended to present the Council's Annual Governance Statement for the 2016/17 for Members' approval.

Background: Regulation 6 of the Accounts and Audit Regulations 2015 require that the Council must conduct a review of the effectiveness of the system of internal control and to prepare, approve and publish an Annual Governance Statement. The review of the effectiveness of internal control must be used to inform the consideration and approval of the Governance Statement.

2016/17

Governance

Statement: A copy of section of the 2016/17 Annual Return, which incorporates the 2016/17 Governance Statement, is attached as Appendix 1 to this report.

The Annual Governance Statement consists of a number of statements about the Council's systems of governance, financial management and internal control with a 'yes' or 'no' response to each statement. All 'yes' statements should be supported by evidence, and an explanation provided to the Auditor for any 'No' responses.

The Joint Panel on Accounting Guidance (JPAG) produces a 'Governance and Accountability for Smaller Authorities in England' that sets out guidance on suitable evidence evidencing the statements in the Annual Governance Statement. Appendix 2 provides a summary of how the Council's Management Team considers that the Council has complied with the requirements for each statement.

Members are also referred to the Internal Audit progress report and Annual Internal Audit Report 2016/17 presented by Stephen Carter, Internal Audit Manager, DCC at the Resources Committee on Monday 5th June 2017 which provides detailed information on the work of internal audit on the council's key areas of control and governance over the past year.

Recommendation:

Members are recommended to note the contents of this report and approve the Annual Governance Statement as provided in Appendix 1.

APPENDIX 1: Annual Governance Statement 2016/17

Section 1 – Annual governance statement 2016/17

We acknowledge as the members of:

Enter name of

smaller authority here:

PETERLEE TOWN COUNCIL

our responsibility for ensuring that there is a sound system of internal control, including 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 2017, that:

	Agreed		'Yes' means that this smaller 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 smaller authority to conduct its business or on 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 smaller authority and took appropriate steps to manage those risks, including the introduction of internal controls and/or external insurance cover where required.	✓		considered the financial and other risks it faces and has 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 smaller 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	NA
			✓
			has met all of its responsibilities where it is a sole managing trustee of a local trust or trusts.

This annual governance statement is approved by this smaller authority on:

and recorded as minute reference:

Signed by Chair at meeting where approval is given:

Clerk:

*Note: Please provide explanations to the external auditor on a separate sheet for each 'No' response. Describe how this smaller authority will address the weaknesses identified.

Section 1 – Annual governance statement 2016/17

We acknowledge as the members of:

Enter name of
smaller authority here:

PETERLEE TOWN COUNCIL

our responsibility for ensuring that there is a sound system of internal control, including 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 2017, that:

	Agreed		'Yes' means that this smaller 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 smaller authority to conduct its business or on 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 smaller authority and took appropriate steps to manage those risks, including the introduction of internal controls and/or external insurance cover where required.	✓		considered the financial and other risks it faces and has 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 smaller 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	NA
			✓
			has met all of its responsibilities where it is a sole managing trustee of a local trust or trusts.

This annual governance statement is approved by this smaller authority on:

and recorded as minute reference:

Signed by Chair at meeting where approval is given:

Clerk:

*Note: Please provide explanations to the external auditor on a separate sheet for each 'No' response. Describe how this smaller authority will address the weaknesses identified.

Appendix 2: Compliance with statements in the Annual Governance Statement

Statement	Requirement	Examples of compliance
1. We have put in place arrangements for effective financial management during the year, and for the preparation of the accounting statements.	a) <u>Budgeting</u> : The Council needs to prepare and approve a budget in a timely manner before setting a precept or rates and prior to the commencement of the financial year. It needs to monitor actual performance against its budget during the year, taking corrective action where necessary. A financial appraisal needs to be undertaken before the authority commences any significant project or enters into any long term commitments.	The 2016/17 budget was set ahead of the financial year and agreed by Finance & general Purposes Committee and Council. Quarterly monitoring of the budget by the Council's Senior Management Team was reported to the F&GP committee on an exception basis, in line with Financial Regulations. All reports entailing significant expenditure include detail financial appraisals.
	b) <u>Accounting records and supporting documents</u> : All authorities, including parish meetings where there is no parish council, need to appoint an officer to be responsible for the financial administration of the authority in accordance with section 151 of the Local Government Act 1972. The authority needs to have satisfied itself that its Responsible Finance Officer (RFO) has determined a system of financial controls and discharged their duties under Regulation 4 of the Accounts and Audit Regulations 2015. The RFO needs to have put in place effective procedures to accurately and promptly record all financial transactions, and maintain up to date accounting records throughout the year, together with all necessary supporting information. The accounting statements in Section 2 of the annual return need to agree to the underlying records.	The Town Clerk is identified as the Council's Responsible Financial Officer. The current Town Clerk was appointed in July 2016 and has twice reviewed and amended the Council's Financial Regulations and Officers Scheme of Delegation in close consultation with the Council's Internal Audit and Corporate Procurement support providers. A number of internal audits were carried out during the financial year, including a major audit of internal financial controls and processes, and the resulting action plans have been reported to, and monitored by, Council. The Council has appointed a suitably qualified external consultant to support the RFO with the preparation of the Annual Accounts and supporting underlying records.
	c) <u>Bank reconciliation</u> . Statements reconciling each of the authorities bank accounts with its accounting	The Council's Finance section carry out a monthly reconciliation of the Council's bank accounts. A

Statement	Requirement	Examples of compliance
	records need to be prepared on a regular basis, including at the financial year-end, and reviewed by members of the authority.	bank reconciliation for the year end is included in the underlying records.
	d) Investments. Arrangements need to be in place to ensure that the authorities funds are managed properly and that any amounts surplus to requirements are invested appropriately, in accordance with an approved strategy which needs to have regard to DCLG's statutory Guidance on local government investments. If total investments are to exceed £500,000 at any time during a financial year an authority needs to produce and approve an annual Investment Strategy in accordance with the DCLG guidance.	The Council does not currently have any long term investments.
	e) Statement of accounts. The authority needs to ensure that arrangements are in place to enable preparation of an accurate and timely statement of accounts in compliance with its statutory obligations and proper practices.	The Council has once again employed the help of an external accountant contractor to support with the preparation of the statement of accounts. These were produced and issued to the Council on 9 th May 2017.
2. We maintained an adequate system of internal control, including measures designed to prevent and detect fraud and corruption and reviewed its effectiveness.	a) Standing Orders and Financial Regulations. The authority needs to have in place standing orders and financial regulations governing how it operates. Financial regulations need to incorporate provisions for securing competition and regulating the manner in which tenders are invited. These need to be regularly reviewed, fit for purpose, and adhered to.	The Council reviewed and approved it's Standing Orders and Financial Regulations in October 2016 and again in June 2017. This was done in close consultation with our Internal Audit and Corporate Procurement advisors to ensure full compliance with relevant regulations.
	b) Safe and Efficient Arrangements to Safeguard Public Money. Practical and resilient arrangements need to exist covering how the authority orders goods and services, incurs liabilities, manages debtors, makes payments and handles receipts.	The Council has put in a place robust policies in the form of Standing Orders, Financial Regulations and Officers Scheme of Delegation and these have been formally reviewed twice in a 12 month period. Internal Audit reports on internal controls as well as specific main service areas have resulted in recommendations and

Statement	Requirement	Examples of compliance
		action points that have improved our approach to safeguarding public money. The Internal Auditor has reported on progress with individual audits and overall progress with recommendations on a quarterly basis. Risk assessments have been carried out for key decisions, including the setting of the council's budget for 2017/18.
	c) Employment. The remuneration payable to all employees needs to be approved in advance by the authority. In addition to having robust payroll arrangements which cover the accuracy and legitimacy of payments of salaries and wages, and associated liabilities, the authority needs to ensure that it has complied with its duties under employment legislation and has met its pension obligations.	Remuneration of all employees is in accordance with 'Green Book' terms and conditions. Payroll services are provided by a suitably experienced external contractor (Durham County Council). Pensions are dealt with as part of the County Durham Local Government Pension Scheme. Support is provided to the Council's Management Team by DCC's Human Resources team, to help ensure compliance with employment legislation.
	d) VAT. The authority needs to have robust arrangements in place for handling its responsibilities with regard to VAT.	The Town Clerk is responsible for ensuring VAT compliance. The Clerk has taken advice from our external accountancy consultant and HMRC on a number of VAT issues throughout the year and is not aware of any areas of non-compliance.
	e) Fixed Assets and Equipment. The authority's assets need to be secured, properly maintained and efficiently managed. Appropriate procedures need to be followed for any asset disposal and for the use of any resulting capital receipt.	The Council has maintained its asset register throughout the year. There have not been any significant asset disposals throughout the year, however the standing orders and financial regulations include provision for such cases in the future.
	f) Loans and Long Term Liabilities. Authorities need to ensure that any loan or similar commitment is only entered into after the authority is satisfied that it can	The Council has not entered into any loans or similar commitment during 2016/17. The 2016/7

Statement	Requirement	Examples of compliance
	be afforded and that relevant approvals have been obtained. Proper arrangements need to be in place to ensure that funds are available to make repayments of capital and any associated interest and other liabilities.	and 2017/18 budgets included provision for loan repayment, and all loan payments are up to date.
	g) <u>Review of effectiveness of the system of internal control.</u> Regulation 6 of the Accounts and Audit Regulations 2015 requires the authority to conduct each financial year a review of the effectiveness of the system of internal control. The review needs to inform the authority's preparation of its annual governance statement.	The Council employed an Internal Auditor to undertake audit reviews of internal controls in place for all key systems and processes. The results of these audits have been reported to relevant committees and full Council, as well as quarterly monitoring of progress against actions for each recommendation. The results from this activity have contributed to the formation of the annual return.
3. We took all reasonable steps to assure ourselves that there are no matters of actual or potential noncompliance with laws, regulations and proper practices that could have a significant financial effect on the ability of this smaller authority to conduct its business or on its finances.	a) <u>Acting within its powers.</u> All authorities are controlled by statute. Therefore, appropriate decision making processes need to be in place to ensure that all activities undertaken fall within an authority's powers to act. In particular authorities need to have robust procedures in place to prevent any decisions or payments being made that are ultra vires, i.e. that the authority does not have the lawful power to make. The exercise of legal powers needs always to be carried out reasonably. For that reason, authorities making decisions need always to understand the power(s) they are exercising in the context of their decision making.	Reports recommending actions or expenditure under statutory powers routinely included specific reference to those powers. The Deputy Town Clerk is CiLCA qualified and the Town Clerk is iLCA qualified with full CiLCA in progress. Where there is any doubt on statutory provision for decisions, advice is sought from SLCC and/or the legal team at NALC.
	b) <u>General power of competence.</u> In particular an authority seeking to exercise a general power of competence under the Localism Act 2011 needs to ensure that the power is fully understood and exercised in accordance with the Parish Councils (General Power of Competence) (Prescribed Conditions) Order 2012.	The Council is not currently seeking to exercise the general power of competence.

Statement	Requirement	Examples of compliance
	c) <u>Regulations and proper practices.</u> Procedures need to be in place to ensure that an authority's compliance with statutory regulations and applicable proper practices is regularly reviewed and that new requirements, or changes to existing ones, are reported to members and applied. Authorities need to have particular regard to the requirements of the Accounts and Audit Regulations 2015.	Members have been routinely provided with information on new or changed legislative requirements and have attended a number of training courses and other external events throughout the year. Members have been provided with a number of publications including the Good Councillors Guide, Good Employers Guide, and the Good Councillors Guide on Finance & Transparency.
	d) <u>Actions during the year.</u> An authority needs to have satisfied itself that it has not taken any decision during the year, or authorised any action, that exceeds its powers or contravenes any laws, regulations, or proper practices.	As highlighted above, the Council has put in place a number of measures to ensure that it does not contravene or exceed its statutory powers or duties. The Council's Management Team is not aware of any areas of non-compliance.
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.	a) <u>Exercise of public rights.</u> The authority provided for the exercise of public rights set out in Sections 26 and 27 of the Local Audit and Accountability Act 2014. Part 5 of the Accounts and Audit Regulations 2015 requires the RFO to have published, including on the authority's website or other website: Sections 1 and 2 of the annual return; a statement that the status of the statement of accounts is 'unaudited'; and a statement that sets out details of how public rights can be exercised, as set out in Regulation 15(2)(b), which includes the period for the exercise of public rights.	The Council has published a notice and accompanying information as required by the regulations through its website, on notice boards, and via social media.
	b) <u>External Auditors Review</u> A notice of the conclusion of the external auditors limited assurance review of the annual return, together with relevant accompanying information, was published on the authorities website or other other website) in accordance with the requirements of Regulation 16 the Accounts and Audit Regulations 2015.	The Council published the 2015/17 notice of conclusion of the review of the annual return on the Council's website and Council notice boards.

Statement	Requirement	Examples of compliance
5. We carried out an assessment of the risks facing this smaller authority and took appropriate steps to manage those risks, including the introduction of internal controls and/or external insurance cover where required.	a) <u>Identifying and assessing risks.</u> The authority needs to identify, assess and record risks associated with actions and decisions it has taken or considered taking during the year that could have financial or reputational consequences.	The Council considers risk in a number of ways. During the preparation of the 2017/18 budget, for instance, the F&GP and Parks committee and full council engaged in presentations/workshops that considered risks and opportunities facing the council over the forthcoming year. The comprehensive internal audit programme is based on risks to council services and processes. Individual reports from officers also include consideration of risk as appropriate.
	b) <u>Addressing risks.</u> Having identified, assessed and recorded the risks, the authority needs to address them by ensuring that appropriate measures are in place to mitigate and manage risk. This might include the introduction of internal controls and/or appropriate use of insurance cover.	The Council's insurance cover has been reviewed during 2016/7 and included the consideration of the mitigation and management of risk. Actions from the Council's numerous internal audit reviews have been logged and progress has been reported back to Council by the Internal Auditor. There are no overdue actions from the action log. A number of internal controls have been improved, or introduced, as a result of this activity.
6. We maintained throughout the year an adequate and effective system of internal audit of the accounting records and control systems.	a) <u>Internal audit.</u> The authority needs to undertake an effective internal audit to evaluate the effectiveness of its risk management, control and governance processes taking into account internal auditing guidance for smaller authorities.	The Council has a robust programme of internal audit reviews in place and has completed all scheduled reviews on time. The appointed auditor routinely presents back to Council in the internal audit plan, progress with individual audits, and progress made by Managers against actions agreed from past audit reviews. This process has resulted in a number of significant improvements being made and continues to drive change within the Council.
	b) <u>Provision of information.</u> The authority needs to ensure it has taken all necessary steps to	The Council's Financial Regulations makes specific reference to the provision of information

Statement	Requirement	Examples of compliance
	facilitate the work of those conducting the internal audit, including making available all relevant documents and records and supplying any information or explanations required.	to facilitate the purposes of internal audit. The Internal Auditor has reported to Council that all required information has been presented to the Internal Audit review process throughout the year.
7. We took appropriate action on all matters raised in reports from internal and external audit.	To warrant a positive response to this assertion, the authority needs to have considered all matters brought to its attention by its external auditor and internal audit and taken corrective action as appropriate.	<p>The Internal Auditor's annual report states "It is positive to note that all of the recommendations raised within Internal Audit reports during the year have been accepted. Internal Audit's recommendations, or alternative proposed actions made by Management in response to the recommendations, have been agreed to be implemented."</p> <p>There were two issues raised by the external auditor in their Audit for the year ended 31 March 2016. One was an administrative error in the form for the Annual return and this has been rectified for this year's return. The other was in relation to compliance with internal audit recommendations and this has been covered above.</p>
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 smaller authority and, where appropriate have included them in the accounting statements.	The authority needs to have considered if any events that occurred during the financial year (or after the year-end), have consequences, or potential consequences, on the authority's finances. If any such events are identified, the authority then needs to determine whether the financial consequences need to be reflected in the statement of accounts.	The Town Clerk and external accounts contractor have concluded that there have been no significant events during the financial year that have consequences on the council's finance requiring reflection in the statement of accounts.

Agenda Item: 8 (ii) Annual Accounting Statements 2016/17

Report to: Peterlee Town Council

Date: 26th June 2017

Report of: Ian Morris, Town Clerk

Report Title: Approval of the Annual Accounting Statements 2016/17

Purpose: This report is intended to present the Council's Annual Accounting Statements for the 2016/17 financial year for Members' approval. The report also recommends approval of various items of supporting information that is required to be submitted to the external auditor alongside the main accounting statements.

Background: The Accounts and Audit Regulations 2015 require that the Council must produce a prescribed annual return, to include income and expenditure account and statement of balances at the end of each financial year.

The annual return is made up of three sections, with the first two sections completed by the Council and the third completed by the external auditor.

Section 1 of the annual return is the Annual Governance Statement for 2016/17. This document has been dealt with in a separate report to members of the Council on 26th June 2017.

Section 2 of the annual return is the Accounting statements for 2016/7. A copy of the form for section 2 is attached as Appendix 1 to this report.

Section 3 of the document is the external auditor report and certificate. This section is completed by the Council's appointed external auditor: BDO LLP.

Statutory

Requirements: s12(1) of the Accounts and Audit Regulations 2015 requires the Responsible Financial Officer (the Town Clerk) to certify the draft unaudited accounts by no later than 30th June 2017, confirming that the income and expenditure account and statement of balances fairly represent the financial position at year end. Regulation 12(2) requires the Council to:

- Consider the statement of accounts;
- Approve the statement of accounts by resolution; and
- Ensure that the statement of accounts is signed and dated by the person presiding at the meeting at which that approval is given.

The same regulations require that the statement of accounts and annual governance statement are published alongside a public notice for the exercise of public rights to inspect the accounts and other related information for a period of 30 working days. This information will be published on the Council's website, via the Council's Facebook page, and in hard copy format on the Council's notice boards in Shotton Hall and the Town Centre.

The Annual return and supporting documents included in this report will be submitted to the Council's appointed external auditor – BDO LLP – following their approval at this meeting.

Following the completion of the 30 day period for exercise of public rights on 31st July and the completion of the audit, the regulations require the Council to publish with notice the audited statement of accounts and annual governance statement together with the auditor's opinion and certificate by no later than 30th September 2017.

2016/17

Accounting

Statements:

The 2016/17 Accounting Statements are set out in section 2 of the Annual Return and the figures are attached in Appendix 1 to this report.

The Accounting Statements present information on the financial position of the Council for the financial year ended 31st March 2017, and are in the format prescribed by the proforma Annual Return.

The accounting statements show that the Town Council:

- Started the year with balances of £971,697;
- Set a precept for 2016/17 of £1,251,968;
- Generated income from fees and charges of £825,448;
- Incurred expenditure through running its services and capital investment of £1,926,593;
- Ended the year with balances and reserves of £1,122,519;
- Held total cash and bank balances of £1,190,256; and
- Has outstanding loans at the end of the year of £942,289.

The detailed year-end position of the Council's revenue and capital budgets has been presented to Council under a separate report and it is not intended to repeat any of that information in this report.

As well as the proforma Accounting Statement the Council is also required to submit to the external auditor a number of other documents in support of the information included in the annual statement. These include:

- Year end Bank Reconciliation (appendix 2 to this report);
- Explanation of significant variances (appendix 3)
- Reconciliation of Boxes 7 & 8 (appendix 4);
- Confirmation regarding the exercise of public rights (Appendix 5);
- Internal Audit Progress report summarising actions taken against internal audit recommendations during 2016/17 (Appendix 6);

Recommendation:

Members are recommended to approve the Accounting Statement set out in section 2 of the Annual Return as well as the supporting documentation as detailed in this report.

Upon approval the Annual Return will be signed by the Town Clerk and the Chairman and submitted to the external auditor.

Appendix 1: Section 2 – Accounting Statements 2016/17 for Peterlee Town Council.

Peterlee Town Council
Annual Return 31st March 2017

		2016	2017
Box 1	Reserves Forward	1,118,385	971,697
Box 2	Precept	1,229,336	1,251,968
Box 3	Other Income	905,345	825,448
Box 4	Staff Costs	(1,220,309)	(977,172)
Box 5	Loan Repayments	(50,452)	(50,452)
Box 6	Other Costs	(1,010,608)	(898,969)
Box 7	Reserves Carried Forward	971,697	1,122,519
Box 8	Cash and Investments	1,025,623	1,190,520
Box 9	Assets at Cost	6,159,600	6,192,256
Box 10	Loans Outstanding	950,074	942,289

Appendix 2: year-end Bank Reconciliation

Peterlee Town Council 2016/17

Bank - Cash and Investment Reconciliation as at 31 March 2017

		<u>Account Description</u>	<u>Balance</u>
<u>Bank Statement Balances</u>			
	1	Clerks Imprest Account	92,454.80
	2	Public Sector Reserve A/c	1,170,299.73
	2	Cheque & Interest A/c PSR	500.00
	3	Credit and Debit Cards	740.46
			1,263,994.99
<u>Other Bank & Cash Balances</u>			
		Cash Floats	1,500.00
			1,500.00
			1,265,494.99
<u>Unpresented Payments</u>			
	1	18/07/2016 26446	25.00
	1	21/07/2016 26473	150.00
	1	20/10/2016 26742	500.00
	1	20/10/2016 26775	11.74
	1	14/12/2016 26878	25.00
	1	14/12/2016 26888	285.60
	1	14/12/2016 26911	447.80
	1	08/02/2017 26972	100.00
	1	08/02/2017 26984	150.00
	1	09/02/2017 27007	100.00
	1	30/03/2016 26258	50.00
	1	02/03/2017 27019	50.00
	1	02/03/2017 27030	1,478.40
	1	02/03/2017 27042	100.00
	1	02/03/2017 27043	187.50
	1	02/03/2017 27055	60.00
	1	02/03/2017 27057	100.00
	1	28/03/2017 27065	57.20
	1	28/03/2017 27066	466.63
	1	28/03/2017 27067	795.00
	1	28/03/2017 27068	150.00
	1	28/03/2017 27069	22.80
	1	28/03/2017 27070	42.00
	1	28/03/2017 27071	1,080.00
	1	28/03/2017 27072	216.00
	1	28/03/2017 27073	900.00
	1	28/03/2017 27074	210.00
	1	28/03/2017 27075	250.00

1	28/03/2017	27076	160.00
1	28/03/2017	27077	100.00
1	28/03/2017	27078	107.53
1	28/03/2017	27079	768.56
1	28/03/2017	27080	175.00
1	28/03/2017	27081	425.00
1	28/03/2017	27082	4,928.22
1	28/03/2017	27083	350.00
1	28/03/2017	27084	480.00
1	28/03/2017	27085	10,101.60

1	28/03/2017	27086	21.54
1	28/03/2017	27087	352.20
1	28/03/2017	27089	984.00
1	28/03/2017	27090	1,369.90
1	28/03/2017	27091	357.55
1	28/03/2017	27092	75.00
1	28/03/2017	27093	180.00
1	28/03/2017	27094	396.00
1	28/03/2017	27095	30.00
1	28/03/2017	27096	256.03
1	28/03/2017	27097	157.44
1	28/03/2017	27098	100.00
1	28/03/2017	27099	29,890.80
1	28/03/2017	27100	282.10
1	28/03/2017	27101	53.18
1	28/03/2017	27102	100.00
1	28/03/2017	27103	489.23
1	28/03/2017	27104	274.26
1	28/03/2017	27105	161.00
1	28/03/2017	27106	132.00
1	28/03/2017	27107	288.00
1	28/03/2017	27108	359.52
1	28/03/2017	27109	125.00
1	28/03/2017	27110	300.00
1	28/03/2017	27111	1,543.00
1	28/03/2017	27112	147.78
1	28/03/2017	27113	346.06
1	28/03/2017	27114	250.00
1	28/03/2017	27115	10,986.00
1	28/03/2017	27116	37.20
1	28/03/2017	27117	294.96
1	28/03/2017	27118	25.00
1	28/03/2017	27119	675.06
1	28/03/2017	27120	496.06
1	28/03/2017	27121	146.40
1	28/03/2017	27122	100.00
1	28/03/2017	27123	465.85
1	28/03/2017	27124	200.00
1	28/03/2017	27125	1,146.00
1	28/03/2017	27126	4,760.00

Appendix 3: Explanation of significant variances

Peterlee Town Council						
Explanation of Variances 31st March 2017						
Box	2015/2016	2016/2017	Variance	%	Explanation	
	£	£	£			
2						
Precept	1,229,336	1,251,968	22,632	1.84%	Under 10% no explanation	
other Receipts	905,345	825,448	-79,897	-8.83%	Under 10% no explanation	
						0
3					Settlement of Employment Dispute 2016/17. One off payment for the year	-208,235
Staff Costs	1,220,309	977,172	-243,137	-19.92%	Fluctuations in payroll costs	-34,902
4						
Loan Interest/Capital	50,452	50,452	0	0.00%	Under 10% no explanation	
5					Reduction	-12849
Other Payments	1,010,608	898,969	-111,639	-11.05%	Reduction in Catering Costs-Shotton Hall	-29914
					Reduction in Legal and Professional fees caused by employee dispute	-59307
					Reduction In Election Costs	-11487
					Net movement across all other Expenditure Headings	1,918
9						
Fixed Assets & Long Term Assets	6,159,600	6,192,256	32,656	0.53%	Under 10% no explanation	
10						
Borrowings	950,074	942,289	-7,785	-0.82%	Under 10% no explanation	

Appendix 4: Reserves Reconciliation

Peterlee Town Council Reserves Reconciliation 31 March 2017

Reconciliation Box 7 and 8

Box 7	Reserves Carried Forward		1,122,519
	Less; Debtors		
	Stock	12,281	
	Other Debtors & Prepayments	33,726	
		<hr/>	46,007
			<hr/>
			1,076,512
	Plus: Creditors		
	Creditors and Accruals		114,008
Box 8	Cash and Short Term Investments		<hr/>
			1,190,520

Appendix 5: Confirmation of exercise of public rights



Peterlee Town Council

Shotton Hall
Old Shotton
Peterlee
SR8 2PH

Ian Morris
Town Clerk
Tel: 0191 586 2491
Email: clerk@peterlee.gov.uk

Notice of Appointment of the Date for the Exercise of Public Rights in Relation to the Accounts for the Financial Year Ended 31st March 2017

**The Local Audit and Accountability Act 2014, and Accounts and Audit (England) Regulations 2015
(SI 234)**

1. Date of Announcement: 19th June 2017
2. Each year Peterlee Town Council's Annual Return is audited by an auditor appointed by Public Sector Audit Appointments Limited. Any person interested has the right to inspect and make copies of the accounts to be audited and all books, deeds, contracts, bills, vouchers and receipts relating to them. For the year ended 31st March 2017, the accounts and supporting documents will be available during opening hours of 9am – 5pm Monday to Friday (4.30pm on Fridays) at the offices of Peterlee Town Council situated at Shotton Hall, Old Shotton, Peterlee.

The inspection period will commence on Tuesday 20th June 2017 and end on Monday 31st July 2017.

Appointments to view the accounts should be made with the Town Clerk at the Town Council – Ian Morris, 0191 5862491 clerk@peterlee.gov.uk

3. Local Government Electors and their representatives also have the opportunity to question the auditor about the accounts and the right to make objections to the accounts or any item in them. Written notice of an objection must first be given to the auditor and a copy sent to the Town Council. The auditor can be contacted at the address provided in paragraph 4 below for this purpose, during the inspection period referred to a paragraph 2 above.
4. The audit is being conducted under the provisions of the Local Audit and Accountability Act 2014, the Accounts and Audit (England) Regulations 2015 and the National Audit Office' Code of Audit Practice.

Peterlee Town Council's audit is being carried out by:

BDO LLP, Arcadia House, Ocean Village, Southampton S014 3TL tel: 023 8088 1941

This announcement is made by Ian Morris, Town Clerk and Responsible Financial Officer at Peterlee Town Council.

Appendix 6: Internal Audit Annual Progress report by Head of Internal Audit

RESOURCES COMMITTEE

05 June 2017

INTERNAL AUDIT PROGRESS REPORT

REPORT OF THE HEAD OF INTERNAL AUDIT

Purpose of the Report

1. The purpose of this report is to advise Members on work undertaken by Internal Audit between 01 April 2016 and 31 March 2017. The report aims to:
 - Provide a high level of assurance, or otherwise, on internal controls operating across the Authority that have been subject to audit.
 - Advise the Committee of significant issues where controls need to improve to effectively manage risks.
 - Advise the Committee of any amendments to the approved Internal Audit plan.
 - Advise the Committee of changes to audit processes and terminology.
 - Track progress on the response to internal audit reports and the implementation of agreed internal audit recommendations.
 - Provide an update on our performance indicators comparing actual performance against planned.
2. The appendices attached to this report are summarised below. Those marked with an asterisk are not for publication (Exempt information under Part 3 of Schedule 12a to the Local Government Act 1972, paragraph 3).

Appendix 1	Risks and Implications
Appendix 2	Progress against the Internal Audit Plan
Appendix 3	Internal Audit Performance Indicators
Appendix 4*	Overdue Actions

Progress against planned work

3. A summary of the agreed plan showing the status of each audit as at 31 March 2017 is attached at Appendix 2.
4. The Appendix shows that six assurance reviews planned have been completed.
5. Assurance reviews incorporate a consideration of the Council's Risk and Governance arrangements within each activity inspected. In addition the Internal Audit Service is assisting the Council in developing Policies and Procedures to support and strengthen its corporate governance framework.

6. The assurance level, if applicable, for each piece of work where a final report has been issued is shown in Appendix 2.

Amendments to Annual Audit Plan

7. There have been no amendments agreed to the annual audit plan this period.

Outstanding management response to draft reports

8. There are no management responses to outstanding Draft Reports overdue.

Response to Audit Recommendations

9. To provide independent assurance that adequate progress is made in the implementation of agreed recommendations at the appropriate service operational level, all high and medium recommendations contained within the action plans of individual audit reports are followed up by internal audit. In addition, listings of all recommendations outstanding at the end of each quarter are produced and issued to the Town Clerk to assist the Council in its own internal monitoring processes.
10. To allow the progress made at an operational level to be tracked and monitored, the numbers of all recommendations made arising from each audit complete, and evidenced as implemented, are shown in Appendix 2. It should be noted that Internal Audit will not follow up Best Practice matters raised.
11. A summary of outstanding audit recommendations i.e. those not implemented within original agreed or revised target dates, as evidenced through Internal Audit follow up, is given in the table below:

Risk	Actions	Total	Implemented			Overdue	Target	Overdue
Category	Raised	Due	(Due)	(Not due)	Total	Original	Revised	Revised
2016/17								
High	3	2	2		2	1	1	
Medium	24	18	16		16	2	2	
Total	27	21	18		18	3	3	

12. There is one High and two Medium priority recommendations overdue against original target implementation dates. Revised target dates have been agreed in all cases with no recommendations overdue. Details of all three recommendations are shown in Appendix 4.

Unplanned work carried out this quarter

13. There have been no unplanned activities carried out during the period.

Reports issued with a Limited Assurance Opinion

14. No reports were issued in the period that resulted in a Limited Assurance Opinion.

Performance Indicators

15. A summary of target performance indicators is given in Appendix 3.

Recommendation

16. Members are asked to note the outturn position on progress made in delivering the internal audit plan for 2016/17 together with that made by managers in responding to the work of internal audit to gain assurance on the adequacy and effectiveness of the internal control environment.

Stephen Carter, Audit and Fraud Manager, Tel: 03000 269665

Appendix 1: Risks and Implications

Finance -

The programme of work undertaken by Internal Audit supports the Council in maintaining safe and efficient arrangements for the proper administration of its financial affairs

Staffing - None

Risk - None

Equality and Diversity / Public Sector Equality Duty - None

Accommodation - None

Crime and Disorder - None

Human Rights - None

Consultation - None

Procurement - None

Disability Issues - None

Legal Implications - None

Other Risks

Control risks identified / considered in relation to reviews undertaken

Summary of the status of work undertaken and recommendations made and implemented

INTERNAL AUDIT SERVICES				High		Medium		Best Practice
Reviews	Schedule	Status	Opinion	M	I	M	I	M
Corporate Governance Risks								
Corporate Governance Arrangements	Q1-4	Complete	N/A					
Risk Management Arrangements	Q1-4	Complete	N/A					
Financial Management								
Core Financial Systems	Q2	Final Report	Limited	1	1	12	12	3
Pavilion	Q3	Final Report	Substantial			1	1	4
Parks	Q3	Final Report	Moderate			7	1	
Leisure Gardens	Q3	Final Report	Limited	2	1	4	2	2
Management								
Audit Planning and Reporting	Q1-4	Complete	N/A					
Total				3	2	24	16	9

Performance Indicators for 2016/17

Efficiency	Objective: To provide maximum assurance to inform the annual audit opinion		
KPI	Measure of Assessment	Target & (Frequency of Measurement)	Actual
Planned audits completed	% of planned assurance work from original approved plan complete to draft report stage as at 31 March 2017	90% (Quarterly)	100% (6 out of 6 reviews completed)
Timeliness of Draft Reports	% of draft reports issued within 30 calendar days of end of fieldwork/closure interview Average time taken is also reported for information	90% (Quarterly)	100% (4 reports issued) 7 days
Timeliness of Final Reports	% of final reports issued within 14 calendar days of receipt of management response Average time taken is also to be reported for information	95% (Quarterly)	100% (4 report issued) 1 day
Terms of Reference	% of TOR's agreed with key contact in advance of fieldwork commencing	95% (Quarterly)	100% (4 TORs issued)
Quality	Objective: To ensure that the service is effective and adding value		
KPI	Measure of Assessment	Target & (Frequency of Measurement)	
Recommendations agreed	% of Recommendations made compared with recommendations accepted	95% (Quarterly)	100% (36 accepted out of 36 made)
Post Audit Customer Satisfaction Survey Feedback	% of customers scoring audit service good or above (3 out of 5) where 1 is poor and 5 is very good Average score is also reported for information	100% (Quarterly)	100% (4 out of 4 returned) Overall average score 4.33
Customers providing feedback Response	% of Customer returning satisfaction returns	70% (Quarterly)	100% (4 returns thus far from 4 surveys issued in 2016/17)

Outstanding Audit Recommendations Quarter Ended 31 March 2017

	Audit	Year	Action Owner	Priority	Report Issued	Original Target	Revised Target	Recommendation	Progress Update
01	Parks	2016/17	Town Clerk	Medium	22/12/2016	31/03/2017	30/06/2017	<p>The Council develops and produces, with consultation with Communities, a Play Strategy for the provision and development of parks.</p> <p>This strategy should be subject to periodic review and agreed by members.</p>	Scrutiny Committee considered the matter as part of a 'use of reserves' workshop in Q4 2016/17 however it was agreed that the scale of the investment required meant that the new council needed to make the decision. It is anticipated that an initial report will go to committee in June 2017.
02	Leisure Gardens	2016/17	Town Clerk & Parks Supervisor	High	22/12/2016	31/03/2017	30/09/2017	<p>The Thorntree Gill constitution should be reviewed by the Council to ensure it complies with the Council's Leisure Gardens Policy.</p> <p>Work be undertaken with officials from Lowhills Road to develop and agree its Constitution.</p> <p>Constitutions should then be reviewed on an agreed periodical basis.</p>	<p>The Thorntree Gill constitution was reviewed by the Parks Manager and Town Clerk and is compliant with the Council's current policy.</p> <p>Discussions are ongoing with gardeners at Lowhills Road re the potential to set up a new association/ committee on that site, however this has not yet occurred as the focus has been on reviewing plot allocations, getting all void gardens let, collecting rent etc.</p>
03	Leisure Gardens	2016/17	Town Clerk & Parks Supervisor	Medium	22/12/2016	31/03/2017	30/09/2017	Monitoring arrangements should be established and agreed with the Leisure Gardeners Associations so that information can be reported to the Council.	The Thorntree Gill committee is now reporting to Council following its meetings. Work is ongoing on developing more structured monitoring arrangements.

Section 2 – Accounting statements 2016/17 for

Enter name of
smaller authority here:

Peterlee Town Council

	Year ending		Notes and guidance				
	31 March 2016 £	31 March 2017 £					
1. Balances brought forward	1,118,385	971,697	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	1,229,336	1,251,968	Total amount of precept (or for IDBs, rates and levies) received or receivable in the year. Exclude any grants received.				
3. (+) Total other receipts	905,345	825,448	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	(1,220,309)	(977,172)	Total expenditure or payments made to and on behalf of all employees. Include salaries and wages, PAYE and NI (employees and employers), pension contributions and employment expenses.				
5. (-) Loan interest/capital repayments	(50,452)	(50,452)	Total expenditure or payments of capital and interest made during the year on the smaller authority's borrowings (if any).				
6. (-) All other payments	(1,010,608)	(898,969)	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	971,697	1,122,519	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	1,025,623	1,190,520	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	6,159,600	6,192,256	This cell shows the value of all the property the authority owns. It is made up of its fixed assets and long-term investments.				
10. Total borrowings	950,074	942,289	The outstanding capital balance as at 31 March of all loans from third parties (including PWLB).				
11. (For Local Councils Only) Disclosure note re Trust funds (including charitable)	<table><tr><td>Yes</td><td>No</td></tr><tr><td></td><td>✓</td></tr></table>		Yes	No		✓	The Council acts as sole trustee for and is responsible for managing Trust funds or assets. N.B. The figures in the accounting statements above do not include any Trust transactions.
Yes	No						
	✓						

I certify that for the year ended 31 March 2017 the accounting statements in this annual return present fairly the financial position of this smaller authority and its income and expenditure, or properly present receipts and payments, as the case may be.

Signed by Responsible Financial Officer:

Date

I confirm that these accounting statements were approved by this smaller authority on:

and recorded as minute reference:

Signed by Chair at meeting where approval is given:

Peterlee Town Council

Statement of Accounts

(Not Subject to Audit)

31st March 2017

Peterlee Town Council

Index

31st March 2017

Page No(s).

1	Council Information
2	Income and Expenditure Account
3	Income And Expenditure Account and Annual Return Reconciliation
4	Balance Sheet
5 to 6	Notes to the Accounts
7	Annual Return - Statement of Accounts

Peterlee Town Council

Council Information

Town Mayor

Mary Cartwright

Councillors

Gordon Carne

Karon Liddell

Steve Miles

Derrick Sillito

Sheila Simpson

Harry Bennett MBE

Bill Jeffrey

Lillian Wood

Colin Watkin

Lee Cook

Ron Curtis

Bob Kyle

Jim Alvey

George Cowie

Chris Metcalfe

Clive Robbins

Susan McDonnell

Karen Hawley

Mandy Thompson

Andrew Watson

Victoria Watson

Clerk to the Council and Responsible Financial Officer

Ian Morris MCIH

Auditors

BDO Stoy Hayward LLP

Peterlee Town Council

Income and Expenditure Account (Unaudited)

for the year ended 31 March 2017.

2016		2017	2017	2017
£		£	£	£
Net		Gross	Income	Net
Expenditure		Expenditure		Expenditure
DIRECT SERVICES TO THE PUBLIC				
(513)	Shotton Hall Banqueting Suite	(301,599)	287,789	(13,810)
(285,354)	Public Buildings	(491,059)	179,368	(311,691)
(47,974)	Sports & Leisure	(74,477)	34,453	(40,024)
(370,066)	Parks	(327,411)	10	(327,401)
(1,310)	Allotments	(4,468)	1,456	(3,012)
(21,188)	Town Centre Offices	(21,857)	58	(21,799)
(4,869)	Town Activities	(19,940)		(19,940)
(58,979)	Town Events	(77,606)	9,115	(68,491)
(36,817)	Cemetery and Burials	(46,315)	20,304	(26,011)
(139,502)	Capital Works	(104,658)	460	(104,198)
DEMOCRATIC, CIVIC AND CENTRAL COSTS				
2,399	Other Costs and Income	(10,794)	4,167	(6,627)
(418,920)	Central and Civic HQ Costs	(393,729)	71	(393,658)
(42,641)	Democratic Representation	(29,994)		(29,994)
(238,595)	Corporate Management	(22,688)		(22,688)
<u>(1,664,328)</u>		<u>(1,926,594)</u>	<u>537,250</u>	<u>(1,389,344)</u>
1,229,336	Annual Precept			1,251,968
288,304	Precept Support Grant			288,198
<u>(146,688)</u>	Net Surplus for the year			<u>150,822</u>

Reserve Movements

	Balance	Movement	Balance
	April 2016	for Year	March 2017
General Fund	703,298	150,822	854,121
Useable Capital Receipt	268,398	-	268,398
	<u>971,696</u>	<u>150,822</u>	<u>1,122,519</u>
	Box 1		Box 7

Peterlee Town Council

Income And Expenditure Account and Annual Return Reconciliation (Unaudited)

For the Year Ended 31st March 2016

Annual Return Box Numbers	Income			Expenditure		
	Box 2	Box 3		Box 4	Box 5	Box 6
	Precept	Other Income	Total	Staff Costs	Loans Repaid	Other Costs
Direct Services						
Shotton Hall Banqueting Suite	-	287,789	287,789	122,759		178,840
Public Buildings	-	179,368	179,368	268,988	50,452	171,619
Sports & Leisure	-	34,453	34,453	57,833		16,644
Parks	-	10	10	271,246		56,165
Allotments	-	1,456	1,456	1,270		3,198
Town Centre Offices	-	58	58			21,857
Town Activities	-	-	-			19,940
Town Events	-	9,115	9,115	11,408		66,198
Cemetery and Burials		20,304	20,304	34,785		11,530
Capital Works		460	460			104,658
Democratic, Management and Civic						
Other Costs and Income	-	4,167	4,167			10,794
Central and Civic HQ Costs	-	71	71	208,883		184,846
Democratic Representation	-	-	-			29,994
Corporate Management						22,688
Precept Support Grant		288,198	288,198			
Precept	1,251,968	-	1,251,968			
Totals Carried to Annual Return	1,251,968	825,448	2,077,416	977,172	50,452	898,969
						1,926,594

Peterlee Town Council

Balance Sheet (Unaudited)

as at 31 March 2017

2016		Note	2017	2017
£			£	£
	Fixed Assets			
	Tangible fixed assets	2		
4,601,221	Land and Buildings		4,601,221	
1,541,035	Vehicles, Plant and Equipment		1,573,691	
17,344	Community Assets		17,344	
6,159,600				6,192,256
	Current Assets			
11,260	Stock		12,280	
32,999	Debtors	5	33,726	
1,025,623	Cash at Bank and In-hand		1,190,520	
1,069,882			1,236,526	
	Current Liabilities			
98,187	Creditors and accrued expenses	6	114,009	
98,187			114,009	
971,695	Net Current Assets			1,122,517
7,131,295	Total Assets Less Current Liabilities			7,314,773
	Long Term Liabilities			
950,074	Long Term Borrowing	7		942,289
6,181,221				6,372,484
	Financed by:			
	Reserves available to the Council			
268,398	Useable Capital Receipt		268,398	
703,298	General Reserve		854,121	1,122,519
971,696				
	Reserves Not Available to Council:			
	Represents the Council's Investment in Fixed Assets			
	less Outstanding Loans			
5,209,525	Capital Financing Account			5,249,965
6,181,221				6,372,484

These accounts have been approved by the Council.

.....
Chair, Policy and Finance Committee

Date:

.....
Town Clerk

Date:

Notes to the Accounts (Unaudited)

31st March 2017

1 Employees

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

	2017	2016
	Number	Number
Full and part-time permanent staff	47	47
	<hr/>	
	47	
	<hr/>	
	47	

All staff are paid within nationally agreed pay scales

Number of employees whose remuneration excluding employers pension contributions was over £50,000 in bands of £10,000 was:

Band	Number of Employees 2016/2017	Number of Employees 2015/2016
£50,000 to £59,999	1	1

2 Tangible Fixed Assets

	Freehold Land and Buildings	Vehicles and Equipment	Community Assets	Total
Cost	£	£		£
1st April 2015	4,601,220	1,541,035	17,345	6,159,600
Additions	-	41,076	-	41,076
Disposals	-	(8,420)	-	(8,420)
	<hr/>			
	4,601,220	1,573,691	17,345	6,192,256

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

3 Financing of Capital Expenditure

	2017	2016
	£	£
The following capital expenditure during the year:		
Fixed Assets purchased	41,076	106,355
	<hr/>	
	41,076	106,355
was financed by:		
Grant Funding	-	9,950
Finance Leases	-	-
Revenue:		
Precept and Revenue Income	41,076	31,126
	<hr/>	
	41,076	41,076

Notes to the Accounts (Unaudited)

31st March 2017

4 Assets Purchased in the Year

Vehicles and Equipment

John Deer Front Mower	15,492	
Striker Rear Mounted Mower	3,600	
Trinax Flail Mower	4,326	
New Play Equipment - Hampshire Place	17,658	41,076

Asset Disposals

Vauxhall Corsa Van

5 Debtors

	2017	2016
	£	£
Debtors and Prepayments	27,012	23,096
V A T Recoverable	10,714	13,903
	37,726	36,999
Less: Provision for Bad and Doubtful Debts	(4,000)	(4,000)
	33,726	32,999

6 Creditors and Accrued Expenses

	2017	2016
	£	£
Trade Creditors	12,219	13,841
Accruals and Deferred Income	101,790	84,346
	114,009	98,187

7 Long Term Liabilities

At the close of business on 31 March 2010 the following loans to the Council were outstanding :

	2017	2016
	£	£
Public Works Loan Board	942,289	950,074
	942,289	950,074

The council's loans are repayable as follows:

	2017	2016
Within one year	8,139	7,784
From one to two years	8,509	8,139
From two to five years	23,005	22,004
From five to ten years	60,590	57,953
Over ten years	842,047	854,194
Total loan commitment	942,289	950,074

Peterlee Town Council
Annual Return 31st March 2017

		2016	2017
Box 1	Reserves Forward	1,118,385	971,697
Box 2	Precept	1,229,336	1,251,968
Box 3	Other Income	905,345	825,448
Box 4	Staff Costs	(1,220,309)	(977,172)
Box 5	Loan Repayments	(50,452)	(50,452)
Box 6	Other Costs	(1,010,608)	(898,969)
Box 7	Reserves Carried Forward	971,697	1,122,519
Box 8	Cash and Investments	1,025,623	1,190,520
Box 9	Assets at Cost	6,159,600	6,192,256
Box 10	Loans Outstanding	950,074	942,289

Item 9. Replacement Flooring – Hill Rigg House and Shotton Hall

Report to: Peterlee Town Council
Date: 26th June 2017
Report of: Ian Morris, Town Clerk
Title: Replacement Flooring – Hill Rigg House and Shotton Hall

Purpose: This report is intended to inform Members of the recent procurement of replacement safety flooring for the kitchen area at Hill Rigg House and the bar areas at Shotton Hall.

Background: Members will be aware that the Town Council owns Hill Rigg House Community Centre, Lowhills Road, and Shotton Hall, Old Shotton. Hill Rigg House is rented to a tenant organisation and the Council has repairing responsibilities, and Shotton Hall is operated directly by the Council.

In early 2017 the Council was notified by the tenant at Hill Rigg House that the safety flooring to the kitchen in Hill Rigg House was in need of replacement due to wear and tear. Upon further inspection by the Facilities Team it was confirmed that the flooring was indeed beyond repair and required relatively urgent replacement. The two bar areas at Shotton Hall also had areas of substantial wear, to the point of complete failure of the safety flooring in a number of high-traffic areas.

The Facilities Team approached a number of local flooring contractors for inspection/estimates but over a period of weeks were let down repeatedly by no-shows, to the extent that the Council was in danger of breaching its landlord responsibilities at Hill Rigg House and health & safety responsibilities to staff at Shotton Hall.

The Town Clerk approached the Corporate Procurement Team at Durham County Council as able to access the County Council's framework agreement for approved flooring contractors, in line with our Service Level Agreement with DCC for the Procurement Service.

Procurement: Five contractors from the framework were invited to provide estimates for the Hill Rigg House and Shotton Hall bar flooring work, based on a detailed specification of works. Three contractors returned prices, as follows:

Contractor A £1,855.63

Contractor B £1,898.00

Contractor C £2,915.70

As the procurement of works coincided with the April/May Council election process and no appropriate Committee meetings were due for some weeks, and the flooring works were becoming increasingly critical, the Town Clerk used the Financial Regulations s5.5 authority to spend 'in cases of extreme risk to council services...' in full consultation with the Council Chairman and Chair of Finance Committee, Cllrs Cartwright and Hawley.

Contractor A was subsequently appointed, and carried out the work as ordered promptly. When on site at Shotton Hall it was identified that an additional area of flooring in the back bar area of the Brandling Suite also required re-flooring, and this area was added in as a variation to the original order and at the same rates, to an additional cost of £240 +VAT.

Recommendation:

Members are recommended to note the content of this report and the use of delegated authority to approve the urgent works at Hill Rigg House and Shotton Hall, in consultation with the Council Chairman and Chair of Finance Committee.

Report to: Peterlee Town Council

Date: 26th June 2017

Report of: Ian Morris, Town Clerk

Subject: Review of Standing Orders, Financial Regulations, and Officers Scheme of Delegation

Purpose: To inform Members of the recent review of the Council's Standing Orders, Financial Regulations and Scheme of Delegation, to seek approval of the revised documents, and to recommend a number of other actions related to the review.

Background: At the Council's Annual Meeting on 15th May 2017 the council agreed a new committee structure for the 2017/18 municipal year. In accordance with good governance and management practices, this triggered a review of the Council's key constitution documents: Standing Orders; Financial Regulations; and Scheme of Delegation.

Members have also previously indicated a desire to increase the delegated level of expenditure for the Town Clerk as set out in the Financial Regulations and Officer's Scheme of Delegation. This has been considered as part of the review.

The Council's Constitution was reviewed in October 2016 but the proposed amendments were not fully endorsed by Council at that time and approval was deferred. The issues raised at that meeting have been considered as part of this review.

The review has concluded with a number of relatively minor amendments to all three documents, as well as a number of additional matters arising from the review. Each document and matter arising is set out in this report in turn.

Standing Orders:

The Council's Standing Orders set out how the Council regulates its business and proceedings. The Council's current Standing Orders have been adopted from the National Association of Local Councils model standing orders and were thoroughly reviewed in October 2016 to reflect updates on procurement rules and other changes. This review included direct input from the Corporate Procurement Team at Durham County Council. A schedule of changes from the previous version of the standing orders has been included in the document for ease of reference, and in summary the main changes are:

- Persons speaking are no longer required to stand
- Bringing the right to record and broadcast meetings in line with the current legislation

- Minor amendments to procurement rules and limits

Financial

Regulations: Financial Regulations' compliment the Council's Standing Orders and set out the way that the Council conducts its financial affairs. The current Financial Regulations were adopted from the National Association of Local Councils model financial regulations and were reviewed and updated by the Town Council in October 2016. A schedule of changes for the new version has been at the front of the document for ease of reference, and for ease of reference the main changes are:

- Updating to reflect new Committee structures, e.g. replacing references to Finance Committee with Resources Committee, etc
- Increase of delegated expenditure levels for the Town Clerk from £500 to £1,500, or £2,500 in consultation with the Council or other relevant Committee Chairman

In reviewing the Financial Regulations, it is also timely for the Council to consciously renew the approval for certain routine payment transactions as required by ss7.8-7.10 of the regulations:

- the use of BACS and CHAPS payments where appropriate;
- the use of bankers Standing Orders where appropriate; and
- the use of variable Direct Debits for utility and other relevant payments, where appropriate.



Scheme of

Delegation: The current Scheme of delegation was approved by Council in October 2016. The document sets out how the Council delegates some of its powers and duties to the Town Clerk and other Officers within the Council. These delegations are necessary for the effective day to day running of the Council and to prevent every decision having to come to a Council meeting for agreement. This document has been amended to reflect the proposed changes to delegated expenditure limits in the Financial Regulations as well as additional clarity over the setting and varying of fees and charges, as per good practice and with the advice of DCC Internal Audit (s3.11).

Recommendations:

Members are recommended to note the contents of this report and:

1. Approve the amended Standing Orders, Financial Regulations and Scheme of Delegation with immediate effect; and
2. renew the approval as required by ss7.8-7.10 of the financial regulations for:
 - the use of BACS and CHAPS payments where appropriate;
 - the use of bankers Standing Orders where appropriate; and
 - the use of variable Direct Debits for utility and other relevant payments, where appropriate.

PETERLEE TOWN COUNCIL STANDING ORDERS

Adopted June 2017

EXPLANATORY NOTE

These 'Standing Orders' set out how the Council regulates its business and proceedings. Our Standing Orders have been adopted from the National Association of Local Councils model standing orders and this latest version was adopted by Council in June 2017. A schedule of changes from the previous version of the standing orders has been included in this document for ease of reference.

Ian Morris, Town Clerk

PETERLEE TOWN COUNCIL

FINANCIAL REGULATIONS

INDEX

1. TABLE OF AMENDMENTS	2
2. RULES OF DEBATE AT MEETINGS	5
3. DISORDERLY CONDUCT AT MEETINGS	7
4. MEETINGS GENERALLY	8
5. COMMITTEES AND SUB-COMMITTEES	11
6. ORDINARY COUNCIL MEETINGS	12
7. EXTRAORDINARY MEETINGS OF THE COUNCIL AND COMMITTEES AND SUB-COMMITTEES	13
8. PREVIOUS RESOLUTIONS	14
9. VOTING ON APPOINTMENTS	14
10. MOTIONS FOR A MEETING THAT REQUIRE WRITTEN NOTICE TO BE GIVEN TO THE PROPER OFFICER	14
11. MOTIONS AT A MEETING THAT DO NOT REQUIRE WRITTEN NOTICE	15
12. HANDLING CONFIDENTIAL OR SENSITIVE INFORMATION	16
13. DRAFT MINUTES	16
14. CODE OF CONDUCT AND DISPENSATIONS	17
15. CODE OF CONDUCT COMPLAINTS	18
16. PROPER OFFICER	18
17. RESPONSIBLE FINANCIAL OFFICER	19
18. ACCOUNTS AND ACCOUNTING STATEMENTS	20
19. FINANCIAL CONTROLS AND PROCUREMENT	20
20. HANDLING STAFF MATTERS	22
21. REQUESTS FOR INFORMATION	23

22. RELATIONS WITH THE PRESS/MEDIA	23
23. EXECUTION AND SEALING OF LEGAL DEEDS	23
24. COMMUNICATING WITH DISTRICT AND COUNTY OR UNITARY COUNCILLORS	23
25. RESTRICTIONS ON COUNCILLOR ACTIVITIES	24
26. STANDING ORDERS GENERALLY	24

1. Table of Amendments

This is a list of amendments from the previous version of the standing orders.

Page	Item	Original	Revised
9	4.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.	A person shall raise his hand when requesting to speak and may sit or stand when speaking.
9	4.l	Photographing, recording, broadcasting or transmitting the proceedings of a meeting by any means is not permitted without the Council's prior written consent.	In line with the Government's 'Open and Accountable Local Government guide' (2014) and s40 of the Local Audit and Accountability Act 2014 members of the public may film, photograph, make sound recordings or use social media to report the proceedings of any Council meeting at which they are entitled to be present.
18	16. xvii	New section	Action or undertake activity or responsibilities instructed by resolution or contained in standing orders.
18	16.xviii	New section	To Act with delegated authority as indicated in the Council's Scheme of Delegation.
20	19. a. (v)	procurement policies (subject to standing order 18(c) below) including the setting of values for different procedures where a contract has an estimated value of less than [£60,000].	procurement policies (subject to standing order 19(c) below) including the setting of values for different procedures where a contract has an estimated value of less than £50,000.

20	19. c	Financial regulations shall confirm that a proposed contract for the supply of goods, materials, services and the execution of works with an estimated value in excess of £60,000 shall be procured on the basis of a formal tender as summarised in standing order 18(d) below.	Financial regulations shall confirm that a proposed contract for the supply of goods, materials, services and the execution of works with an estimated value in excess of £50,000 shall be procured on the basis of a formal tender as summarised in standing order 19(d) below.
20	19. d. ii.	an invitation to tender shall be drawn up to confirm (i) the council's specification (ii) the time, date and address for the submission of tenders (iii) the date of the council's written response to the tender, and (iv) the prohibition on prospective contractors contacting councillors or staff to encourage or support their tender outside the prescribed process;	an invitation to tender shall be drawn up to confirm (i) the council's specification (ii) the time, date and address for the submission of tenders (iii) the date of the council's written response to the tender, (iv) whether tenders are to be assessed on the basis of lowest price, or a balance of price and quality, and (v) the prohibition on prospective contractors contacting councillors or staff to encourage or support their tender outside the prescribed process;
20	19.d.iii	the invitation to tender shall be advertised in a local newspaper, and in any other manner that is appropriate;	the invitation to tender shall be advertised in a local newspaper, on the government Contracts Finder website, and in any other manner that is appropriate;
21	19.e	Neither the council, nor a committee of sub-committee with delegated responsibility for considering tenders, is bound to accept the lowest value tender.	The council shall, at its discretion, reject any tender that does not meet the requirements expressed in the tender documents, or which is submitted after the deadline date. Neither the council, nor a committee or a sub-committee with delegated responsibility for considering tenders, shall be compelled to award a contract. The council shall always reserve the right to cancel a tender process without awarding a contract.

21	19.f	Where the value of a contract is likely to exceed £138,893 (or other threshold specified by the Cabinet Office from time to time) the council must consider whether the Public Contracts Regulations 2006 (SI No. 5, as amended) and the Utilities Contracts Regulations 2006 (SI No. 6, as amended) apply to the contract and, if either of those Regulations apply, the council must comply with EU procurement rules.	Where the value of a contract is likely to exceed £164,176 (or other threshold specified by the Cabinet Office from time to time) the council must consider whether the Public Contracts Regulations 2015 or the Concession Contracts Regulations 2016 apply to the contract and, if either of those Regulations apply, the council must comply with EU procurement rules.
21	20.b	New section	Matters pertaining to staff will be dealt with under the relevant Council policies as appropriate to the matter under consideration.

2. Rules of debate at meetings

N.B **Bold black print = mandatory standing orders**

Plain black print = discretionary standing order

- 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 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.
- j Subject to standing order 2(k) below, 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 of 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. in exercise of a right of reply.
- p During the debate of 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 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 understanding order 2(r) above, the contributions or speeches by a councillor shall relate only to the motion under discussion and shall not exceed three minutes without the consent of the chairman of the meeting.

3. 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 excluded from the meeting. The motion, if seconded, shall be put to the vote without discussion.
- c If a resolution made under standing order 3(b) above 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.

4. Meetings generally

Key:

FC	Full Council meetings
CM	Committee meetings
SCM	Sub-committee meetings

Black print = mandatory standing order

Black print = discretionary standing order

- FC** 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.**
- FC** 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.**
- CM** c **The minimum three clear days' public notice of a meeting does not include the day on which the notice was issued or the day of the meeting.**
- CM/FC** 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.**
(in line with the Government's 'Open and Accountable Local Government guide' (2014), examples of confidential information include discussing the conduct of employees, negotiations of contracts or terms of tender, or the early stages of a legal dispute)
- 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 4(e) above shall not exceed fifteen minutes unless directed by the chairman of the meeting. A public participation session is held each month prior to the start of the Council Meeting.
- g Subject to standing order 4(f) above, a member of the public shall not speak for more than 15 minutes.

- h In accordance with standing order 4(e) above, 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 may sit or stand 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.

SCM/
CM/FC

- l (i) In line with the Government's 'Open and Accountable Local Government guide' (2014) and s40 of the Local Audit and Accountability Act 2014 members of the public may film, photograph, make sound recordings or use social media to report the proceedings of any Council meeting at which they are entitled to be present.
(ii) persons **may not orally report or comment** about a meeting as it takes place if he (she) is present at the meeting.

SCM/
CM/FC

- m **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.**

FC

- n **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 any).**

FC

- o **The Chairman, if present, shall preside at a meeting. If the Chairman is absent from a meeting, the Vice-Chairman, 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.**

SCM/
CM/FC

- p **Subject to a meeting being quorate, all questions at a meeting shall be decided by a majority of the councillors or councillors with voting rights present and voting.**

SCM/
CM/FC

- q **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(i) and (j) below for the different rules that apply in the election of the Chairman of the Council at the annual meeting of the council.

- r **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.

- s 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 present and absent;
 - iii. interests that have been declared by councillors and non-councillors with voting rights;
 - iv. whether a councillor or non-councillor with voting rights left the meeting when matters that they held interests in were being considered;
 - v. if there was a public participation session; and
 - vi. the resolutions made.

SCM/
CM/FC

- t **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.**

SCM/
CM/FC

- u **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 5d(viii) below for the quorum of a committee or sub-committee meeting.

SCM/
CM/FC

- v **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.**

- w A meeting shall not exceed a period of 2 ½ hours (e.g. commencing at 6.30pm closing no later than 9.00pm).

5. 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 full 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 5(b) and (c) above, appoint and determine the terms of office of members of such a committee;
 - v. shall, after it has appointed the members of a standing committee, appoint the chairman of the standing committee;
 - vi. shall permit a committee other than a standing committee, to appoint its own chairman at the first meeting of the committee;
 - vii. shall determine the place, notice requirements and quorum for a meeting of a committee and a sub-committee which shall be no less than three;
 - viii. shall determine if the public may participate at a meeting of a committee;
 - ix. 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;
 - x. shall determine if the public may participate at a meeting of a sub-committee that they are permitted to attend; and
 - xi. may dissolve a committee.

6. 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 new councillors elected take office.**
- b In a year which is not an election year, the annual meeting of a council shall be held on such day in May as the council may direct.**
- c The annual meeting of the council shall take place at 6.30pm.**
- d In addition to the annual meeting of the council, at least three other ordinary meetings shall be held in each year on such dates and times as the council directs.**
- e The first business conducted at the annual meeting of the council shall be the election of the Chairman and Vice-Chairman (if any) of the Council.**
- f 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.**
- g The Vice-Chairman of the Council, if any, 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.**
- h 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 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 must give a casting vote in the case of an equality of votes.**
- i 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 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 must give a casting vote in the case of an equality of votes.**
- j Following the election of the Chairman of the Council and Vice-Chairman (if any) of the Council at the annual meeting of the council, the business of the annual meeting 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. Review of delegation arrangements to committees, sub-committees, staff and other local authorities;
- vi. Review of the terms of reference for committees;
- vii. Appointment of members to existing committees;
- viii. Appointment of any new committees in accordance with standing order 4 above;
- ix. Review and adoption of appropriate standing orders and financial regulations;
- x. Review of arrangements, including any charters and agency agreements, with other local authorities and review of contributions made to expenditure incurred by other local authorities;
- xi. Review of representation on or work with external bodies and arrangements for reporting back;
- xii. In an election year, to make arrangements with a view to the council becoming eligible to exercise the general power of competence in the future;
- xiii. Review of inventory of land and assets including buildings and office equipment;
- xiv. Confirmation of arrangements for insurance cover in respect of all insured risks;
- xv. Review of the council's and/or staff subscriptions to other bodies;
- xvi. Review of the council's complaints procedure;
- xvii. Review of the council's procedures for handling requests made under the Freedom of Information Act 2000 and the Data Protection Act 1998;
- xviii. Review of the council's policy for dealing with the press/media; and
- xix. Determining the time and place of ordinary meetings of the full council up to and including the next annual meeting of full council.

7. Extraordinary meetings of the council and 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 or refuses to 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 must 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.
- d If the chairman of a committee [or a sub-committee] does not or refuses to call an

extraordinary meeting within 7 days of having been requested by to do so by 2 members of the committee [or the sub-committee], any 2 members of the committee [and the sub-committee] may convene an extraordinary meeting of a committee [and a sub-committee].

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 2 councillors to be given to the Proper Officer in accordance with standing order 9 below, 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 8(a) above has been disposed of, no similar motion may be moved within 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 which it is tabled for 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 7 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 10(b) above, 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 10(b) above is not clear in meaning, the motion shall be rejected until the mover of the motion resubmits it in writing to the Proper Officer so that it can be understood at least 4 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 Subject to standing order 10(e) above, 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 in a book for that purpose and numbered in the order that they are received.
- h Motions rejected shall be recorded in a book for that purpose with an explanation by the Proper Officer for their 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 appoint a committee or sub-committee and their members;
 - x. to extend the time limits for speaking;
 - xi. to exclude the press and public from a meeting in respect of confidential or sensitive information which is prejudicial to the public interest;
 - xii. to not hear further from a councillor or a member of the public;
 - xiii. to exclude a councillor or member of the public for disorderly conduct;
 - xiv. to temporarily suspend the meeting;
 - xv. **to suspend a particular standing order (unless it reflects mandatory statutory requirements);**

- xvi. to adjourn the meeting; or
- xvii. to close a meeting.

12. Handling confidential or sensitive information

- a The agenda, papers that support the agenda and the minutes of a meeting shall not disclose or otherwise undermine confidential or sensitive information which for special reasons would not be in the public interest.
- b Councillors and staff shall not disclose confidential or sensitive information which for special reasons would not be in the public interest.

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 11(a)(i) above.
- 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 shall sign the minutes and include a paragraph in the following terms or to the same effect:

“The chairman of this meeting does not believe that the minutes of the meeting of the () held on [date] in respect of () were a correct record but his view was not upheld by the meeting and the minutes are confirmed as an accurate record of the proceedings.”
- e Upon 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 also standing order 4(t) above.

- 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 a meeting of the council, or committee or sub-committee for which the dispensation is required and that decision is final.
- f A dispensation request shall confirm:
 - i. the description and the nature of the disclosable pecuniary interest or other interest to which the request for the dispensation relates;
 - ii. whether the dispensation is required to participate at a meeting in a discussion only or a discussion and a vote;
 - iii. the date of the meeting or the period (not exceeding four years) for which the dispensation is sought; and
 - iv. an explanation as to why the dispensation is sought.
- g Subject to standing orders 14(d) and (f) above, dispensations requests shall be considered at the beginning of the meeting of the council, or committee or a sub-committee for which the dispensation is required.
- h **A dispensation may be granted in accordance with standing order 14(e) above if having regard to all relevant circumstances the following applies:**
 - 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 or**

- 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.**

15. Code of conduct complaints

- a Upon notification by Durham County 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 12 above, report this to the council.
- b Where the notification in standing order 15(a) above 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 15(d) below.
- c The council may:
 - i. provide information or evidence where such disclosure is necessary to progress an investigation of the complaint or is required by law;
 - 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 County 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.**

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 and a sub-committee serve on councillors, by delivery or post at their residences, a signed summons confirming the time, place and the agenda.**
See standing order 4(b) above for the meaning of clear days for a meeting of a full council and standing order 4 (c) above for a meeting of a committee.
 - ii. **give public notice of the time, place and agenda at least three clear days before a meeting of the council or a meeting of a committee or a sub-committee (provided that the public notice with agenda of an extraordinary**

meeting of the council convened by councillors is signed by them);

See standing order 4(b) above for the meaning of clear days for a meeting of a full council and standing order 4(c) above for a meeting of a committee.

- iii. subject to standing order 10 above, include on the agenda all motions in the order received unless a councillor has given written notice at least six days before the meeting confirming his withdrawal of it;
- iv. **convene a meeting of full council for the election of a new Chairman of the Council, occasioned by a casual vacancy in his office;**
- v. facilitate inspection of the minute book by local government electors;
- vi. **receive and retain copies of byelaws made by other local authorities;**
- vii. retain acceptance of office forms from councillors;
- viii. retain a copy of every councillor's register of interests;
- ix. assist with responding to requests made under the Freedom of Information Act 2000 and Data Protection Act 1998, in accordance with and subject to the council's policies and procedures relating to the same;
- x. receive and send general correspondence and notices on behalf of the council except where there is a resolution to the contrary;
- xi. manage the organisation, storage of, access to and destruction of information held by the council in paper and electronic form;
- xii. arrange for legal deeds to be executed;
See also standing order 23 below.
- xiii. arrange or manage the prompt authorisation, approval, and instruction regarding any payments to be made by the council in accordance with the council's financial regulations;
- xiv. record every planning application notified to the council and the council's response to the local planning authority in a book for such purpose;
- xv. refer a planning application received by the council to the next Committee available. Should it be a time of recess then details be sent to Members for immediate comment.
- xvi. manage access to information about the council via the publication scheme.
- xvii. Action or undertake activity or responsibilities instructed by resolution or contained in standing orders.
- xviii. To Act with delegated authority as indicated in the Council's Scheme of Delegation.

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.

18. Accounts and accounting statements

- a “Proper practices” in standing orders refer to the most recent version of Governance and Accountability for Local Councils – a Practitioners’ Guide (England).
- b All payments by the council shall be authorised, approved and paid in accordance with the law, proper practices and the council’s financial regulations.
- c The Responsible Financial Officer shall supply to each councillor as soon as practicable after 30 June, 30 September and 31 December in each year a statement to summarise:
 - i. the council’s receipts and payments for each quarter;
 - ii. the council’s aggregate receipts and payments for the year to date;
 - iii. the balances held at the end of the quarter being reported

and which includes a comparison with the budget for the financial year and highlights any actual or potential overspends.

- d As soon as possible after the financial year end at 31 March, the Responsible Financial Officer shall provide:
 - i. each councillor with a statement summarising the council’s receipts and payments for the last quarter and the year to date for information; and
 - ii. to the full council the accounting statements for the year in the form of Section 1 of the annual return, as required by proper practices, for consideration and approval.
- e The year end accounting statements shall be prepared in accordance with proper practices and applying the form of accounts determined by the council (income and expenditure) for a year to 31 March. A completed draft annual return shall be presented to each councillor before the end of the following month of May. The annual return of the council, which is subject to external audit, including the annual governance statement, shall be presented to council for consideration and formal approval before 30 June.

19. Financial controls and procurement

- a The council shall consider and approve financial regulations drawn up by the Responsible Financial Officer, which shall include detailed arrangements in respect of the following:
 - i. the keeping of accounting records and systems of internal controls;
 - ii. the assessment and management of financial risks faced by the council;
 - iii. the work of the independent internal auditor in accordance with proper practices and the receipt of regular reports from the internal auditor, which shall be required at least annually;

- iv. the inspection and copying by councillors and local electors of the council's accounts and/or orders of payments; and
 - v. procurement policies (subject to standing order 19(c) below) including the setting of values for different procedures where a contract has an estimated value of less than £50,000.
- b Financial regulations shall be reviewed regularly and at least annually for fitness of purpose.
- c Financial regulations shall confirm that a proposed contract for the supply of goods, materials, services and the execution of works with an estimated value in excess of £50,000 shall be procured on the basis of a formal tender as summarised in standing order 19(d) below.
- d Subject to additional requirements in the financial regulations of the council, the tender process for contracts for the supply of goods, materials, services or the execution of works shall include, as a minimum, the following steps:
 - i. a specification for the goods, materials, services or the execution of works shall be drawn up;
 - ii. an invitation to tender shall be drawn up to confirm (i) the council's specification (ii) the time, date and address for the submission of tenders (iii) the date of the council's written response to the tender, (iv) whether tenders are to be assessed on the basis of lowest price, or a balance of price and quality, and (v) the prohibition on prospective contractors contacting councillors or staff to encourage or support their tender outside the prescribed process;
 - iii. the invitation to tender shall be advertised in a local newspaper, on the government Contracts Finder website, and in any other manner that is appropriate;
 - iv. tenders are to be submitted in writing in a sealed marked envelope addressed to the Proper Officer;
 - v. tenders shall be opened by the Proper Officer in the presence of at least one councillor after the deadline for submission of tenders has passed;
 - vi. tenders are to be reported to and considered by the appropriate meeting of the council or a committee or sub-committee with delegated responsibility.
- e The council shall, at its discretion, reject any tender that does not meet the requirements expressed in the tender documents, or which is submitted after the deadline date. Neither the council, nor a committee or a sub-committee with delegated responsibility for considering tenders, shall be compelled to award a contract. The council shall always reserve the right to cancel a tender process without awarding a contract.
- f Where the value of a contract is likely to exceed £164,176 (or other threshold specified by the Cabinet Office from time to time) the council must consider whether the Public Contracts Regulations 2015 or the Concession Contracts Regulations 2016 apply to the contract and, if either of those Regulations apply, the council must comply with EU

procurement rules.

20. Handling staff matters

- a A matter personal to a member of staff that is being considered by a meeting of council is subject to standing order 12 above.
- b Matters pertaining to staff will be dealt with under the relevant Council policies as appropriate to the matter under consideration.
- c Subject to the council's policy regarding absences from work, the council's most senior member of staff shall notify the committee of absence occasioned by illness or other reason and that person shall report such absence to the Establishment Committee at its next meeting.
- d The chairman of the Council or in his absence, the vice-chairman shall upon a resolution conduct a review of the performance and annual appraisal of the work of the Town Clerk. The reviews and appraisal shall be reported in writing and is subject to approval by resolution by Establishment committee.
- e Subject to the council's policy regarding the handling of grievance matters, the council's most senior employee, the Town Clerk, shall contact the Mayor of Council or in his absence, the Deputy Mayor of Council in respect of an informal or formal grievance matter, and this matter shall be reported back and progressed by resolution of the Establishment Committee.
- f Subject to the council's policy regarding the handling of grievance matters, if an informal or formal grievance matter raised by Town Clerk relates to the Mayor or Deputy Mayor of Council, this shall be communicated to another member of Council which shall be reported back and progressed by resolution of the Establishment committee.
- g Any persons responsible for all or part of the management of staff shall treat the written records of all meetings relating to their performance, capabilities, grievance or disciplinary matters as confidential and secure.
- h The council shall keep all written records relating to employees secure. All paper records shall be secured and locked and electronic records shall be password protected.
- i Only persons with line management responsibilities shall have access to staff records referred to in standing orders 20(f) and (g) above if so justified.
- j Access and means of access by keys and/or computer passwords to records of employment referred to in standing orders 20(f) and (g) above shall be provided only to

the post holder and/or the Town Clerk.

21. Requests for information

- a Requests for information held by the council shall be handled in accordance with the council's policy in respect of handling requests under the Freedom of Information Act 2000 and the Data Protection Act 1998.
- b Correspondence from, and notices served by, the Information Commissioner shall be referred by the Town Clerk & Proper Officer to the Mayor of the Council and full Council. Council shall have the power to do anything to facilitate compliance with the Freedom of Information Act 2000.

22. Relations with the press/media

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

23. Execution and sealing of legal deeds

See also standing orders 16(b)(xii) and (xvii) above.

- a A legal deed shall not be executed on behalf of the council unless authorised by a resolution.

Subject to standing order 23(a) above, any two councillors may sign, (usually the Mayor and another) on behalf of the council, any deed required by law and the Proper Officer shall witness their signatures.

24. Communicating with District and County or Unitary councillors

- a An invitation to attend a meeting of the council shall be sent, together with the agenda, to the ward councillor(s) of the County Council representing the area of the council.

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

25. Restrictions on councillor activities

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

26. Standing orders generally

- a All or part of a standing order, except one that incorporates mandatory statutory 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 requirements, shall be proposed by a special motion, the written notice by at least 11 councillors to be given to the Proper Officer in accordance with standing order 9 above.
- c The Proper Officer shall provide a copy of the council's standing orders to a councillor as soon as possible after he has delivered his acceptance of office form.
- d The decision of the chairman of a meeting as to the application of standing orders at the meeting shall be final.

PETERLEE TOWN COUNCIL FINANCIAL REGULATIONS

Adopted June 2017

EXPLANATORY NOTE

These 'Financial Regulations' compliment the Council's Standing Orders and set out the way that the Council conducts its financial affairs. Our Financial Regulations have been adopted from the National Association of Local Councils model financial regulations and this version was adopted by Council in June 2017 to reflect changes to our Committee structure and a number of other updates. A schedule of changes has been included in this document for ease of reference.

Ian Morris, Town Clerk

PETERLEE TOWN COUNCIL
FINANCIAL REGULATIONS
INDEX

1. TABLE OF AMMENDMENTS	2
2. GENERAL	8
3. ACCOUNTING AND AUDIT (INTERNAL AND EXTERNAL)	11
4. ANNUAL ESTIMATES (BUDGET) AND FORWARD PLANNING	12
5. BUDGETARY CONTROL AND AUTHORITY TO SPEND	13
6. BANKING ARRANGEMENTS AND AUTHORISATION OF PAYMENTS	14
7. INSTRUCTIONS FOR THE MAKING OF PAYMENTS	15
8. PAYMENT OF SALARIES	18
9. LOANS AND INVESTMENTS	20
10. INCOME	20
11. ORDERS FOR WORK, GOODS AND SERVICES	21
12. CONTRACTS	22
13. PAYMENTS UNDER CONTRACTS FOR BUILDING OR OTHER CONSTRUCTION WORKS	24
14. STORES AND EQUIPMENT	25
15. ASSETS, PROPERTIES AND ESTATES	25
16. INSURANCE	26
17. CHARITIES	26
18. RISK MANAGEMENT	26
19. SUSPENSION AND REVISION OF FINANCIAL REGULATIONS	27

1. TABLE OF AMMENDMENTS

This is a list of amendments from the previous version of Financial Regulations approved by Council in October 2016.

Page	Item	Original	Revised
6	3.2	<p>On a regular basis, at least once in each quarter, and at each financial year end, a member other than the Chairman [or a cheque signatory] shall be appointed to verify bank reconciliations (for all accounts) produced by the RFO. The member shall sign the reconciliations and the original bank statements (or similar document) as evidence of verification. This activity shall on conclusion be reported, including any exceptions, to and noted by the council and/or Finance Committee.</p>	<p>On a regular basis, at least once in each quarter, and at each financial year end, a member other than the Chairman [or a cheque signatory] shall be appointed to verify bank reconciliations (for all accounts) produced by the RFO. The member shall sign the reconciliations and the original bank statements (or similar document) as evidence of verification. This activity shall on conclusion be reported, including any exceptions, to and noted by the council and/or Resources Committee.</p>

8	5.1	<p>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:</p> <ul style="list-style-type: none"> • the council for all items over £5,000; • a duly delegated committee of the council for items over £500; or • the Clerk, in conjunction with Chairman of Council or Chairman of the appropriate committee, for any items up to and including £500. <p>Such authority is to be evidenced by a Minute or by a suitable alternative form of communication duly signed by the Clerk, and where necessary also by the appropriate Chairman..</p>	<p>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:</p> <ul style="list-style-type: none"> • the council for all items over £5,000; • a duly delegated committee of the council for items between £2,500 - £5,000; or • the Clerk, in conjunction with Chairman of Council or Chairman of the appropriate committee, for any items between £1,500 - £2,500; or • The Clerk.RFO for any items up to and including £1,500 <p>Such authority is to be evidenced by a Minute or by a suitable alternative form of communication (e.g. email) duly signed by the Clerk, and where necessary also by the appropriate Chairman..</p>
---	-----	--	---

9	6.2	<p>The RFO shall prepare a schedule of payments requiring authorisation, forming part of the Agenda for the Meeting and, together with the relevant invoices, present the schedule to the Finance Sub Committee. The sub committee shall review the schedule for compliance and, having satisfied itself shall authorise payment by a resolution of the finance committee. A detailed list of all payments shall be disclosed within or as an attachment to the minutes of the meeting at which payment was authorised. Personal payments (including salaries, wages, expenses and any payment made in relation to the termination of a contract of employment) may be summarised to remove public access to any personal information.</p>	<p>The RFO shall prepare a schedule of payments requiring authorisation, forming part of the Agenda for the Meeting and, together with the relevant invoices, present the schedule to the Finance Sub Committee. The sub committee shall review the schedule for compliance and, having satisfied itself shall authorise payment by a resolution of the Resources Committee. A detailed list of all payments shall be disclosed within or as an attachment to the minutes of the meeting at which payment was authorised. Personal payments (including salaries, wages, expenses and any payment made in relation to the termination of a contract of employment) may be summarised to remove public access to any personal information.</p>
10	6.5 (b)	<p>fund transfers within the councils banking arrangements up to the sum of £100,000, provided that a list of such payments has either already been approved by Council or Financial Sub Committee or shall be submitted to the next appropriate meeting of council or finance committee.</p>	<p>fund transfers within the councils banking arrangements up to the sum of £100,000, provided that a list of such payments has either already been approved by Council, Resources Committee or Financial Sub Committee or shall be submitted to the next appropriate meeting of council or resources committee.</p>

10	6.6	For each financial year the Clerk/ RFO 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 (such as but not exclusively, Salaries, PAYE and NI, Superannuation Fund and regular maintenance contracts and the like for which council may authorise payment for the year provided that the requirements of regulation 4.1 (Budgetary Controls) are adhered to, provided also that a list of such payments shall be submitted to the next appropriate meeting of council or Finance Sub Committee.	For each financial year the Clerk/ RFO 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 (such as but not exclusively, Salaries, PAYE and NI, Superannuation Fund and regular maintenance contracts and the like for which council may authorise payment for the year provided that the requirements of regulation 4.1 (Budgetary Controls) are adhered to, provided also that a list of such payments shall be submitted to the next appropriate meeting of council or resources committee.
11	7.7	Cheques or orders for payment shall not normally be presented for signature other than at a council or committee meeting (including immediately before or after such a meeting). Any signatures obtained away from such meetings shall be reported to the Finance Committee at the next convenient meeting.	Cheques or orders for payment shall not normally be presented for signature other than at a council or committee meeting (including immediately before or after such a meeting). Any signatures obtained away from such meetings shall be reported to the Resources Committee at the next convenient meeting.
13	7.19	Any Debit Card issued for use will be specifically restricted to the Clerk and will also be restricted to a single transaction maximum value of £500 unless authorised by council or finance committee in writing before any order is placed. Use of this debit card will be reported to finance committee on a quarterly basis, for information and appropriate scrutiny.	Any Debit Card issued for use will be specifically restricted to the Clerk and will also be restricted to a single transaction maximum value of £2,500 unless authorised by council or finance committee in writing before any order is placed. Use of this debit card will be reported to finance committee on a quarterly basis, for information and appropriate scrutiny.

13	7.20	A pre-paid debit card may be issued to employees with varying limits. These limits will be set by the council finance sub committee. Transactions and purchases made will be reported to the council and authority for topping-up shall be at the discretion of the council	A pre-paid debit card may be issued to employees with varying limits. These limits will be set by the council Resources committee. Transactions and purchases made will be reported to the council and authority for topping-up shall be at the discretion of the council
20	15.2	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 £500.	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 £2,500 .

2. GENERAL

- 2.1. 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.
- 2.2. 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.
- 2.3. 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.
- 2.4. These financial regulations demonstrate how the council meets these responsibilities and requirements.
- 2.5. 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.
- 2.6. A breach of these Regulations by an employee is gross misconduct.
- 2.7. 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.
- 2.8. 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.
- 2.9. 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;

¹ Model standing orders for councils are available in Local Councils Explained © 2013 National Association of Local Councils

- 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.
- 2.10. 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.
- 2.11. 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.
- 2.12. 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

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

- measures to ensure that risk is properly managed.
- 2.13. The council is not empowered by these Regulations or otherwise to delegate certain specified decisions. In particular any decision regarding:
- setting the final budget or the precept (Council Tax Requirement);
 - approving accounting statements;
 - approving an annual governance statement;
 - borrowing;
 - writing off bad debts;
 - declaring eligibility for the power of well-being; and
 - addressing recommendations in any report from the internal or external auditors,
- shall be a matter for the full council only.
- 2.14. 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 relevant Committee in accordance with its terms of reference.
- 2.15. In these financial regulations, references to the Accounts and Audit Regulations or 'the regulations' shall mean the regulations issued under the provisions of the Local Audit and Accountability Act 2014 and Accounts and Audit Regulations 2015, or any superseding legislation, and then in force unless otherwise specified..
- 2.16. In these financial regulations the term 'proper practice' or 'proper practices' shall refer to guidance issued in *Governance and Accountability for Local Councils– a Practitioners' Guide (England)* issued by the Joint Practitioners Advisory Group (JPAG), available from the websites of NALC and the Society for Local Council Clerks (SLCC) available from the website of SLCC, as well as any practices set out in Procurement Policy Notes issued by the Cabinet Office or Crown Commercial Service.

3. ACCOUNTING AND AUDIT (INTERNAL AND EXTERNAL)

- 3.1. 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.
- 3.2. On a regular basis, at least once in each quarter, and at each financial year end, a member other than the Chairman [or a cheque signatory] shall be appointed to verify bank reconciliations (for all accounts) produced by the RFO. The member shall sign the reconciliations and the original bank statements (or similar document) as evidence of verification. This activity shall on conclusion be reported, including any exceptions, to and noted by the council and/or Resources Committee.
- 3.3. The RFO shall complete the annual statement of accounts, annual report, and any related documents of the council contained in the Annual Return (as specified in proper practices) as soon as practicable after the end of the financial year and having certified the accounts shall submit them and report thereon to the council within the timescales set by the Accounts and Audit Regulations.
- 3.4. The council shall ensure that there is an adequate and effective system of internal audit of its accounting records, and of its system of internal control in accordance with proper practices. Any officer or member of the council shall make available such documents and records as appear to the council to be necessary for the purpose of the audit and shall, as directed by the council, supply the RFO, internal auditor, or external auditor with such information and explanation as the council considers necessary for that purpose.
- 3.5. The internal auditor shall be appointed by and shall carry out the work in relation to internal controls required by the council in accordance with proper practices.
- 3.6. The internal auditor shall:
 - be competent and independent of the financial operations of the council;
 - report to council in writing, or in person, on a regular basis with a minimum of one annual written report during each financial year;
 - to demonstrate competence, objectivity and independence, be free from any actual or perceived conflicts of interest, including those arising from family relationships; and
 - have no involvement in the financial decision making, management or control of the council.

- 3.7. 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.
- 3.8. For the avoidance of doubt, in relation to internal audit the terms 'independent' and 'independence' shall have the same meaning as is described in proper practices.
- 3.9. The RFO shall make arrangements for the exercise of electors' rights in relation to the accounts including the opportunity to inspect the accounts, books, and vouchers and display or publish any notices and statements of account required by the Audit Commission Act 1998, or any superseding legislation, the Local Government Transparency Code, and the Accounts and Audit Regulations.
- 3.10. The RFO shall, without undue delay, bring to the attention of all councillors any correspondence or report from internal or external auditors.

4. ANNUAL ESTIMATES (BUDGET) AND FORWARD PLANNING

- 4.1. The Finance & General Purposes 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.
- 4.2. The RFO must each year, by no later than January, prepare detailed estimates of all receipts and payments including the use of reserves and all sources of funding for the following financial year in the form of a budget to be considered council.
- 4.3. 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.
- 4.4. The council shall fix the precept (council tax requirement), and relevant basic amount of council tax to be levied for the ensuing financial year not later than by the end of January each year. The RFO shall issue the precept to the billing authority and shall supply each member with a copy of the approved annual budget.
- 4.5. The approved annual budget shall form the basis of financial control for the ensuing year.

5. BUDGETARY CONTROL AND AUTHORITY TO SPEND

5.1. 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 £5,000;
- a duly delegated committee of the council for items between £2,500 - £5,000; or
- the Clerk, in conjunction with Chairman of Council or Chairman of the appropriate committee, for any items between £1,500 - £2,500; or
- The Clerk.RFO for any items up to and including £1,500.

Such authority is to be evidenced by a Minute or by a suitable alternative form of communication (e.g. email) duly signed by the Clerk, and where necessary also by the appropriate Chairman..

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

5.2. 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').

5.3. Unspent provisions in the revenue or capital budgets for completed projects shall not be carried forward to a subsequent year.

5.4. The salary budgets are to be reviewed at least annually in October 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.

5.5. 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 £5,000. The Clerk shall report such action to the chairman as soon as possible and to the council as soon as practicable thereafter.

5.6. 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.

5.7. All capital works shall be administered in accordance with the council's standing orders and financial regulations relating to contracts.

- 5.8. 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 15% of the budget.
- 5.9. Changes in earmarked reserves shall be approved by council as part of the budgetary control process.

6. BANKING ARRANGEMENTS AND AUTHORISATION OF PAYMENTS

- 6.1. 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.
- 6.2. The RFO shall prepare a schedule of payments requiring authorisation, forming part of the Agenda for the Meeting and, together with the relevant invoices, present the schedule to the Finance Sub Committee. The sub committee shall review the schedule for compliance and, having satisfied itself shall authorise payment by a resolution of the finance committee. A detailed list of all payments shall be disclosed within or as an attachment to the minutes of the meeting at which payment was authorised. Personal payments (including salaries, wages, expenses and any payment made in relation to the termination of a contract of employment) may be summarised to remove public access to any personal information.
- 6.3. All invoices for payment shall be examined, verified and certified by the RFO or relevant SMT budget holder 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.
- 6.4. The RFO or relevant SMT budget holder shall examine invoices for arithmetical accuracy and analyse them to the appropriate expenditure heading. The RFO shall take all steps to pay all invoices submitted, and which are in order, at the next available Finance Sub Committee Meeting..
- 6.5. The Clerk /RFO shall have delegated authority to authorise the payment of items only in the following circumstances:
 - a) If a payment is necessary to avoid a charge to interest under the Late Payment of Commercial Debts (Interest) Act 1998, or where late payment would violate the requirements of Regulation 113 of the Public Contracts Regulations 2015, and the due date for payment is before the next scheduled Meeting of council, where the Clerk/ RFO certify that there is no dispute or other reason to delay payment, provided that a list of such payments shall be submitted to the next

appropriate meeting of council. An expenditure item authorised under 6.6 below (continuing contracts and obligations) provided that a list of such payments shall be submitted to the next appropriate meeting of council or finance sub committee or

- b) fund transfers within the councils banking arrangements up to the sum of £100,000, provided that a list of such payments has either already been approved by Council, **Resources Committee** or Financial Sub Committee or shall be submitted to the next appropriate meeting of council or **resources** committee.
- 6.6. For each financial year the Clerk/RFO 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 (such as but not exclusively, Salaries, PAYE and NI, Superannuation Fund and regular maintenance contracts and the like for which council may authorise payment for the year provided that the requirements of regulation 4.1 (Budgetary Controls) are adhered to, provided also that a list of such payments shall be submitted to the next appropriate meeting of council or **resources** Committee.
- 6.7. A record of regular payments made under 6.6 above shall be drawn up and be signed by two members on each and every occasion when payment is authorised - thus controlling the risk of duplicated payments being authorised and / or made.
- 6.8. In respect of grants a duly authorised committee shall approve expenditure within any limits set by council and in accordance with any Policy statement approved by council. Any Revenue or Capital Grant in excess of £5,000 shall before payment, be subject to ratification by resolution of the council.
- 6.9. 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.
- 6.10. The council will aim to rotate the duties of members in these Regulations so that onerous duties are shared out as evenly as possible over time.
- 6.11. Any changes in the recorded details of suppliers, such as bank account records, shall be approved in writing by a Member.

7. INSTRUCTIONS FOR THE MAKING OF PAYMENTS

- 7.1. The council will make safe and efficient arrangements for the making of its payments.

- 7.2. Contracts for supplies, services and works shall provide for 30-day maximum payment terms, as required by Regulation 113 of the Public Contracts Regulations.
- 7.3. Following authorisation under Financial Regulation 6 above, the council, a duly delegated committee or, if so delegated, the Clerk /RFO shall give instruction that a payment shall be made.
- 7.4. All payments shall be effected by cheque or other instructions to the council's bankers, or otherwise, in accordance with a resolution of Council or duly delegated Committee.
- 7.5. 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 three members of council in accordance with a resolution instructing that payment. If a member who is also a bank signatory has declared a disclosable pecuniary interest, or has any other interest, in the matter in respect of which the payment is being made, that Councillor shall be required to consider Standing Orders, and thereby determine whether it is appropriate and / or permissible to be a signatory to the transaction in question.
- 7.6. 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.
- 7.7. Cheques or orders for payment shall not normally be presented for signature other than at a council or committee meeting (including immediately before or after such a meeting). Any signatures obtained away from such meetings shall be reported to the **Resources** Committee at the next convenient meeting.
- 7.8. If thought appropriate by the council, payment for utility supplies (energy, telephone and water) and any National Non-Domestic Rates may be made by variable Direct Debit provided that the instructions are signed by two members and any payments are reported to council as made. The approval of the use of a variable Direct Debit shall be renewed by resolution of the council at least every two years.
- 7.9. If thought appropriate by the council, payment for certain items (principally Salaries) 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. The approval of the use of a Banker's Standing Order shall be renewed by resolution of the council at least every two years.
- 7.10. 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. The approval of

the use of BACS or CHAPS shall be renewed by resolution of the council at least every two years.

- 7.11. 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.
- 7.12. 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 handed to and retained by the Chairman of Council in a sealed dated envelope. This envelope may not be opened other than in the presence of two other councillors. After the envelope has been opened, in any circumstances, the PIN and / or passwords shall be changed as soon as practicable. The fact that the sealed envelope has been opened, in whatever circumstances, shall be reported to all members immediately and formally to the next available meeting of the council. This will not be required for a member's personal computer used only for remote authorisation of bank payments.
- 7.13. 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.
- 7.14. 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.
- 7.15. 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.
- 7.16. 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. 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.
- 7.17. 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.
- 7.18. 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 Clerk/RFO. A programme of regular checks of standing data with suppliers will be followed.

- 7.19. Any Debit Card issued for use will be specifically restricted to the Clerk and will also be restricted to a single transaction maximum value of **£2,500** unless authorised by council or finance committee in writing before any order is placed. Use of this debit card will be reported to finance committee on a quarterly basis, for information and appropriate scrutiny.
- 7.20. A pre-paid debit card may be issued to employees with varying limits. These limits will be set by the council **resources** committee. Transactions and purchases made will be reported to the council and authority for topping-up shall be at the discretion of the council
- 7.21. Any corporate credit card or trade card account opened by the council will be specifically restricted to use by the Clerk/RFO and shall be subject to automatic payment in full at each month-end. Personal credit or debit cards of members or staff shall not be used under any circumstances.
- 7.22. 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 may maintain as petty cash float of £75.00 for the purpose of defraying operational and other expenses. Vouchers for payments made from petty cash shall be kept to substantiate the payment.
 - b) Income received must not be paid into the petty cash float but must be separately banked, as provided elsewhere in these regulations.
 - c) Payments to maintain the petty cash float shall be shown separately on the schedule of payments presented to council under 6.2 above.

8. PAYMENT OF SALARIES

- 8.1. 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.
- 8.2. 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.
- 8.3. No changes shall be made to any employee's pay, emoluments, or terms and conditions of employment without the prior consent of the council.

- 8.4. 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.
- 8.5. 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.
- 8.6. An effective system of personal performance management should be maintained for the senior officers.
- 8.7. Any termination payments shall be supported by a clear business case and reported to the council. Termination payments shall only be authorised by council.
- 8.8. Before employing interim staff the council must consider a full business case.

9. LOANS AND INVESTMENTS

- 9.1. 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.
- 9.2. Any financial arrangement which does not require formal Borrowing Approval from the Secretary of State (such as Hire Purchase or Leasing of tangible assets) shall be subject to approval by the full council. In each case a report in writing shall be provided to council in respect of value for money for the proposed transaction.
- 9.3. 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/ RFO.
- 9.4. 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.
- 9.5. 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.
- 9.6. All investments of money under the control of the council shall be in the name of the council.
- 9.7. All investment certificates and other documents relating thereto shall be retained in the custody of the RFO.
- 9.8. 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 6 (Authorisation of payments) and Regulation 7 (Instructions for payments).

10. INCOME

- 10.1. The collection of all sums due to the council shall be the responsibility of and under the supervision of the Clerk/RFO.
- 10.2. Particulars of all charges to be made for work done, services rendered or goods supplied shall be agreed annually by the council, notified to the RFO and the RFO shall be responsible for the collection of all accounts due to the council.
- 10.3. The council will review all fees and charges at least annually, following a report of the Clerk.

- 10.4. Any sums found to be irrecoverable and any bad debts shall be reported to the council and shall be written off in the year.
- 10.5. All sums received on behalf of the council shall be banked intact as directed by the RFO. In all cases, all receipts shall be deposited with the council's bankers with such frequency as the RFO considers necessary.
- 10.6. The origin of each receipt shall be entered on the paying-in slip.
- 10.7. Personal cheques shall not be cashed out of money held on behalf of the council.
- 10.8. The RFO shall promptly complete any VAT Return that is required. Any repayment claim due in accordance with VAT Act 1994 section 33 shall be made at least annually coinciding with the financial year end.
- 10.9. Where any significant sums of cash are regularly received by the council, the RFO shall take such steps as are agreed by the council to ensure that more than one person is present when the cash is counted in the first instance, that there is a reconciliation to some form of control such as ticket issues, and that appropriate care is taken in the security and safety of individuals banking such cash.
- 10.10. 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 17 below)].

11. ORDERS FOR WORK, GOODS AND SERVICES

- 11.1. An official order or letter shall be issued for all work, goods and services unless a formal contract is to be prepared or an official order would be inappropriate. Copies of orders shall be retained.
- 11.2. Order books shall be controlled by the Clerk/RFO.
- 11.3. 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 12 (I) below.
- 11.4. A member may not issue an official order or make any contract on behalf of the council.
- 11.5. The Clerk/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.

12. CONTRACTS

12.1. Procedures as to contracts are laid down as follows:

- a. Every contract shall comply with these financial regulations, and no exceptions shall be made otherwise than in an emergency provided that this regulation need not apply to contracts which relate to items (i) to (vii) below:
 - i. for the supply of water and sewerage services;
 - ii. for the execution of mandatory works by statutory undertakers, where the statutory undertaker is the only body which can perform the works. Such statutory undertakers include:
 - (i) British Telecom – specifically for telecoms infrastructure works;
 - (ii) Network Rail – specifically for works affecting the railway infrastructure;
 - (iii) Northern Gas Networks – specifically for gas supply infrastructure works;
 - (iv) Northern Powergrid – specifically for electricity infrastructure works;
 - (v) Northumbria Water – specifically for water and sewerage infrastructure works;
 - (vi) Highways England – specifically for works to the core road network under their management;
 - iii. for legal services declared exempt from the Public Contracts Regulations 2015;
 - iv. for work to be executed or goods or materials to be supplied which consist of repairs to or parts for existing machinery or equipment or plant, where this requirement can be satisfied by only one possible contractor;
 - v. for work to be executed or goods or materials to be supplied which constitute an extension of an existing contract by the Council, where the possibility of such extension was provided for in the original contract, or where the contract may be modified in accordance with Regulation 72 of the Public Contracts Regulations 2015;
 - vi. for additional audit work of the external Auditor up to an estimated value of £500 (in excess of this sum the Clerk/ RFO shall act after consultation with the Chairman and Vice Chairman of council); and
 - vii. for goods or materials proposed to be purchased which are proprietary articles only available from one possible supplier and / or are only sold at a fixed price.
- b. Where it is intended to enter into a contract at or exceeding £50,000 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 shall, as a minimum, invite tenders from at least three capable firms and in accordance with Standing Order regulation 19(d).

- 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. Waivers should only be used where at least one of the following circumstances applies:
 - i. with an organisation already engaged by the Council for a similar and related procurement and where there is significant benefit to extending the contract to cover this additional requirement, without exposing the Council to unacceptable risk;
 - ii. involving cases of genuine, unforeseen urgency, where it is not possible to operate a competitive procedure;
 - iii. for the purchase of a work of art or museum specimen, to meet the specific requirements of an artistic, cultural, or performing arts event, or otherwise for the protection of exclusive rights which cannot be procured competitively due to the nature of the requirement;
 - iv. in relation to time-limited grant funding from an external body, where the time limitations will not allow a competitive procurement process to be completed and where the grant conditions allow this; or
 - v. where relevant UK or EU legislation not otherwise referred to in these regulations prevents the usual procurement process from being followed.
- d. Invitations 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. Invitations to tender shall make clear whether tenders are to be assessed on the basis of lowest price, or a balance of price and quality and, in the latter case, the weightings applied to each of these criteria.
- f. All sealed tenders shall be opened at the same time on the prescribed date by the Clerk in the presence of at least one member of council.
- g. If no tenders are received, or if all of the tenders received are non-compliant, the council may, at its discretion, make such arrangements as it sees fit, with a competent supplier, to meet the requirements of the contract.

- h. Any invitation to tender issued under this regulation shall be subject to Standing Order 19, Financial controls and Procurement, and shall refer to the terms of the Bribery Act 2010.
- i. When it is to enter into a contract of less than £50,000 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/RFO shall obtain 3 quotations (priced descriptions of the proposed supply); where the value is below £3,000 and above £100 the Clerk/RFO shall strive to obtain 3 estimates. Otherwise, Regulation 10 (3) above shall apply.
- j. The council shall not be obliged to accept the lowest or any tender, quote or estimate.
- k. 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.
- l. The European Union Procurement Directive shall apply and the terms of the Public Contracts Regulations 2015 and the including thresholds shall be followed.
- m. Where openly advertising a contract opportunity by any other means, such as appropriate newspapers, the council will also ensure an appropriate advertisement is placed on the Contracts Finder website.
- n. The award of any contract worth more than £25,000 shall be publicised by a notice on Contracts Finder. This includes contracts which have not been subject to prior advertising.

13. PAYMENTS UNDER CONTRACTS FOR BUILDING OR OTHER CONSTRUCTION WORKS

- 13.1. 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).
- 13.2. 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.

- 13.3. 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.

14. STORES AND EQUIPMENT

- 14.1. The officer in charge of each section shall be responsible for the care and custody of stores and equipment in that section.
- 14.2. 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.
- 14.3. Stocks shall be kept at the minimum levels consistent with operational requirements.
- 14.4. The Clerk/RFO shall be responsible for periodic checks of stocks and stores at least annually.

15. ASSETS, PROPERTIES AND ESTATES

- 15.1. The Clerk/RFO shall make appropriate arrangements for the custody of all title deeds and Land Registry Certificates of properties held by the council. The Clerk/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.
- 15.2. 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 **£2,500**.
- 15.3. 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).
- 15.4. 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).

- 15.5. Subject only to the limit set in Reg. 15.2 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.
- 15.6. The Clerk/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.

16. INSURANCE

- 16.1. Following the annual risk assessment (per Financial Regulation 18), the Clerk/RFO shall effect all insurances and negotiate all claims on the council's insurers
- 16.2. The Clerk/RFO shall give prompt notification to the Insurers of all new risks, properties or vehicles which require to be insured and of any alterations affecting existing insurances.
- 16.3. The Clerk/RFO shall keep a record of all insurances effected by the council and the property and risks covered thereby and annually review it.
- 16.4. The Clerk/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.
- 16.5. 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

17. CHARITIES

- 17.1. 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.

18. RISK MANAGEMENT

- 18.1. 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.

- 18.2. 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.

19. SUSPENSION AND REVISION OF FINANCIAL REGULATIONS

- 19.1. 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.

- 19.2. 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.

* * *

PETERLEE TOWN COUNCIL SCHEME OF DELEGATION

Reviewed & amended June 2017

EXPLANATORY NOTE

This scheme of delegation sets out how the Council delegates some of its powers and duties to the Town Clerk and other Officers within the Council. These delegations are necessary for the effective day to day running of the Council and to prevent every decision having to come to a Council meeting for agreement. This scheme of delegation will be reviewed by Council at least annually along with the review of the Council's Standing Orders and Financial Regulations.

Ian Morris
Town Clerk

PETERLEE TOWN COUNCIL

FINANCIAL REGULATIONS

Table of Contents

1. Introduction	2
2. Extent of Delegation	2
3. General Matters	2
4. Financial Matters	4
5. Staffing Matters.....	6
6. Property Matters	7
7. Urgency	7
8. Emergency Planning.....	8
9. Procedural	8
10. Health and Safety at Work Act 1974.....	8
11. Legal Proceedings	8
Appendix 1: Authorised Officers Signatory List	0
appendix 2: Debit Card Authorisation Proforma	0

1. INTRODUCTION

- 1.1. The powers and duties set out in this scheme are delegated to the Town Clerk. The Town Clerk is the Council's Responsible Financial Officer and the Proper Officer and is responsible for the management of the organisation.
- 1.2. The Town Clerk may delegate these duties and powers to other Officers within the Council as per the Authorised Signatories list in Appendix 1, or as otherwise required following prior approval by Council or the relevant Committee.

2. EXTENT OF DELEGATION

- 2.1. All delegated functions shall be deemed to be exercised on behalf of and in the name of the Council.
- 2.2. The Town Clerk will exercise these powers in accordance with:
 - approved budgets
 - the Council's Standing Orders and Financial Regulations
 - the Council's Policy Framework and other adopted policies of the Council
 - all statutory common law and contractual requirements
- 2.3. The Town Clerk may do anything pursuant to the delegated power, or duty, which it would be lawful for the Council to do including anything reasonably implied or incidental to that power or duty.
- 2.4. Provided that such authorisation is not prohibited by statute the Town Clerk to whom a power, duty or function is delegated may authorise another Officer to exercise that power, duty or function, subject to:
 - such authorisations being in writing
 - only be given to an Officer below the delegating officer in the organisational structure
 - only being given where there is significant administrative convenience in doing so
 - the Officer authorised by the Town Clerk acting in the name of the Town Clerk
 - such authorisation not being prohibited by statute.
- 2.5. A delegation to a subordinate Officer shall not prevent the Town Clerk from exercising the same power or duty at the same time.

3. GENERAL MATTERS

- 3.1. The Town Clerk is authorised to:

- 3.2. Sign, or where appropriate, have sealed on behalf of the Town Council, any Orders, Deeds or Documents necessary to give effect to any of the matters contained in reports or in any resolution passed by the Town Council.
- 3.3. Take any proceedings or other steps as may be necessary to enforce and recover any debt owing or other obligation due to the Council.
- 3.4. Institute and appear in any legal proceedings authorised by the Council.
- 3.5. To appear or make representation to any tribunal or public inquiry into any matter in which the Council has an interest (in its own right or on behalf of the citizens of Peterlee).
- 3.6. Alter the date or time of a Council Committee, Working Group, Panel or Task Group meeting but, before doing so, shall consult the Mayor of the Council, or chairman of the Committee or Task Group concerned and the Leaders of all political groups on the Council about the need for the change and about convenient alternative dates and times.
- 3.7. Decide arrangements for the closure of the Council offices in the Christmas/New Year period, subject to consultation with the Chairman and a resolution of appropriate Committee.
- 3.8. Deal with day to day matters relating to the use of office accommodation space.
- 3.9. Negotiate and enter into contractual arrangements for artistes and promoters in relation to events held in Peterlee organised by the Town Council.
- 3.10. Manage all of the Council's services including:
 - Shows and events
 - Parks & Cemeteries
 - Facilities Management including Shotton Hall and the Helford Road Pavillion
 - Services agreed under contract for other authorities and bodies
 - Websites and social media accounts relating to the council and council activities
- 3.11. In consultation where appropriate with the relevant Chairman, introduce, set and vary as necessary fees and charges for the delivery of Council services and for the issue of any license, registration, consent or approval.

- 3.12. To act as the Council's designated Officer for the purposes of the Freedom of Information Act 2000.
- 3.13. To apply for planning consent for the carrying out of development by the Council.
- 3.14. To respond to consultations on planning applications and licensing applications subject to the comments by the Planning Committee.
- 3.15. Under the Regulation of Investigatory Powers Act 2000 to authorise directed surveillance or the use of a human intelligence source.
- 3.16. To respond to complaints made under the Council's complaints procedure and to make such ex gratia payments in settlement of such complaints as are considered justified, subject to ratification by an appropriate Committee.
- 3.17. To manage, monitor and review the Council's internal control procedures.
- 3.18. To manage, monitor and review the Council's Corporate Risk Management Strategy.

4. FINANCIAL MATTERS

- 4.1. The Town Clerk is authorised to:
- 4.2. Be the Responsible Financial Officer for the purposes of Section 151 of the Local Government Act 1972.
- 4.3. Operate the Council's banking arrangements including arranging overdrafts.
- 4.4. Incur expenditure up to a maximum of £2,500 on any item for which provision is made in the appropriate revenue budget provided that any action taken complies with any legislative provisions and the requirements of the Council's Constitution and Financial Regulations.
- 4.5. Pay all accounts properly incurred.
- 4.6. Pay all subscriptions to organisations to which the Council belongs.
- 4.7. Make all necessary arrangements for the provision of an internal and external audit service for the Council.

- 4.8. Negotiate settlements in connection with claims made by and against the Council in consultation with the Council's insurers where appropriate.
- 4.9. Incur expenditure on revenue items within the approved estimates and budgets.
- 4.10. Incur expenditure on capital schemes within the Council's approved capital Programme.
- 4.11. Use the Repairs and Maintenance Budgets for the maintenance, replacement or repair of existing plant, vehicles or equipment.
- 4.12. Enter into leasing and contract hire agreements for the acquisition of vehicles machinery and equipment on such terms as are considered appropriate.
- 4.13. Accept quotations or tenders for work supplies or services (where tenders are required by the Council's Financial Regulations), subject to:
 - the cost not exceeding the approved estimate
 - the tender being the lowest price or the most economically advantageous to the Council according to the criteria set out in the tender documentation
 - all the requirements of the Council's Financial Regulations being complied with.
- 4.14. Carry out virement of sums between cost centres in accordance with the Council's Financial Regulations.
- 4.15. Manage investments and raise and repay loans as appropriate and obtain such other sources of credit as are required in accordance with the Financial Regulations.
- 4.16. Authorise action for the recovery of debts.
- 4.17. Write-off debts up to the level set by the Council.
- 4.18. Maintain a Register of Assets and Inventory of Equipment.
- 4.19. Determine the Town Council's insurance requirements on the Council's behalf.
- 4.20. Make all necessary arrangements for the Council's insurances.

5. STAFFING MATTERS

- 5.1. The Town Clerk is given delegated powers to manage the Council staff in accordance with the Council's policies, procedures and budget, including:
- 5.2. Appointments to posts including apprentices.
- 5.3. Employment of temporary employees.
- 5.4. Preparation of the job description and person specification, placing of the advertisement and short-listing of applicants.
- 5.5. Management of staff performance.
- 5.6. Control of discipline and performance, including the power of suspension and dismissal.
- 5.7. Exercise of disciplinary and grievance procedures in accordance with the Council's procedures.
- 5.8. Determine approved duties for the payment of travel and subsistence expenses to Members and Officers where they represent the Council outside of the Town Council area.
- 5.9. Approve or refuse applications for re-grading, remove any bars in salary scales and to authorise salary increments and accelerated increments.
- 5.10. Approve payment of overtime.
- 5.11. Agree minor variations to the condition of employment.
- 5.12. Implement and monitor the arrangements for annual leave, flexi time, sickness absence, maternity and paternity leave in accordance with the Council's policies.
- 5.13. Authorise training in line with the Council's policies.
- 5.14. Authorise the provision of uniforms or protective clothing.
- 5.15. Approve payment of claims from employees for compensation for loss of or damage to personal property.
- 5.16. Negotiate and agree settlements on behalf of the Council in relation to any proceedings in the Employment Tribunal.

- 5.17. Agree to premature retirement on the grounds of duly certified ill health.
- 5.18. Terminate employment during probation and to review salary on completion of probationary periods.
- 5.19. Commission legal and professional advice on staffing matters.

6. PROPERTY MATTERS

- 6.1. The Town Clerk is given authority to manage the land and property of the Council including:
- 6.2. Agreeing the terms of any lease, licence, conveyance or transfer.
- 6.3. The granting or refusal of the Council's consent under the terms of any lease.
- 6.4. Variations of restrictive covenants of a routine nature.
- 6.5. The granting of easements, wayleaves and licences over Council land.
- 6.6. Initiating legal action or proceedings against unauthorised encampments or encroachments on Council land.
- 6.7. Directing the custody of Town Council property and documents in accordance with the provisions of Local Government Act 1972 S226.
- 6.8. Exercising responsibility for the safe custody and maintenance of the civic regalia.

7. URGENCY

- 7.1. The Town Clerk is authorised to act on behalf of the Council in cases of urgency or emergency.
- 7.2. Any such action is to be reported to the next meeting of the Council or relevant Committee or Working Group. The Mayor, the Leader of the Council (if appointed) and the Chairman of any relevant Committee or Working Group are to be consulted where possible before such action is taken.

8. EMERGENCY PLANNING

- 8.1. The Town Clerk is authorised to implement the Council's Emergency Plan and to incur any necessary expenditure in accordance with the Council's Standing Orders and Financial Regulations.
- 8.2. Any such action is to be reported to the next meeting of the Council or relevant Committee or Working Group. The Mayor, the Leader of the Council (if appointed) and the Chairman of any relevant Committee are to be consulted where possible before such action is taken.

9. PROCEDURAL

- 9.1. The Town Clerk can:
- 9.2. Authorise Officers to exercise statutory powers of entry and inspection for the purposes of any function under their control.
- 9.3. Serve requests for information as to ownership occupation and other interests in land for the purposes of any function under their control.
- 9.4. Appoint consultants and other professionals to carry out any function and provide any service under their control, subject to the Council's Constitution and Financial Regulations.

10. HEALTH AND SAFETY AT WORK ACT 1974

- 10.1. The Town Clerk is authorised to oversee the discharge of the Council's responsibilities under the Act.

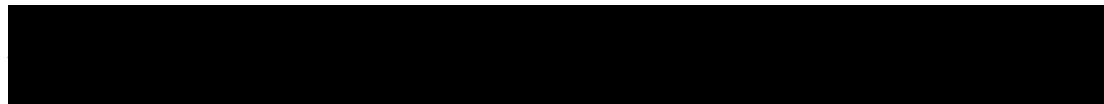
11. LEGAL PROCEEDINGS

- 11.1. The Town Clerk is authorised to:
- 11.2. Take and discontinue legal proceedings in any Court or at any Tribunal.
- 11.3. Take Counsel's advice or instruct Counsel to represent the Council.
- 11.4. Seek injunctions and commence proceedings for the purposes of:
 - enforcement in accordance with the Council's policies
 - recovering money due to the Council
 - recovering or otherwise preserving possession of the Council's land or property
 - defending the interests of the Council
 - appealing against a decision affecting the interests of the Council and responding to appeals against action taken by the Council.

- 11.5. Represent the Council at Court or any Tribunal or to make arrangements for appropriate representation.
- 11.6. Negotiate and settle the terms of documents to give effect to a decision of the Council or any of the Committees or of any Officer acting under delegated powers.
- 11.7. Apply the affixing of the Common Seal of the Council to documents in accordance with Standing Orders.
- 11.8. Be the responsible Officer for the co-ordination and operation of the legal requirements under the Data Protection Act and the Freedom of Information Act.
- 11.9. Serve Requisitions for Information.
- 11.10. Prepare a draft budget for consideration by the Council.
- 11.11. Prepare the final accounts for each financial year.

Date of Adoption

This Scheme of delegation was reviewed and adopted by Council on 26th June 2017.



	DEBIT CARD ¹	INVOICES ²	PURCHASE ORDERS ³	CONTRACTS ⁴	TIMESHEETS ⁵
Town Clerk	X	X	X	X	X
Deputy Town Clerk	X	X	X	X	X
Facilities Manager	X	X	X		X
Parks Supervisor	X	X	X		X
Sports Development Officer	X	X	X		X
Facilities Deputy/Assistants	X	X	X		X
Parks Team Leaders (SC6) (in Parks Supervisor's absence only)	X		X		
Parks Admin Officer/ Show Co-	X	X	X		
Mayors Secretary (for Mayor's budget expenditure only)	X	X	X		

¹ Debit card usage is restricted to expenditure under £2,500 from an identified budget with sufficient funds and with express advance approval from relevant SMT budget holder or Town Clerk. See Appendix 2 for pro forma debit card authorisation sheet

² Invoices can only be authorised in accordance with the Council's Standing Orders and Financial Regulations

³ Purchase Orders can only be authorised in accordance with the Council's Standing Orders and Financial Regulations

⁴ Contracts can only be authorised in accordance with the Council's Standing Orders and Financial Regulations

⁵ Counter-signing of timesheets is subject to the Council's policy i.e no subordinate or peers to counter-sign timesheets.

APPENDIX 2: DEBIT CARD AUTHORISATION PROFORMA

Peterlee Town Council

Debit Card Authorisation Sheet

The use of the council's debit card by an Officer is only authorised on the following basis:

- That there is an identified budget for the cost incurred
- That there are funds available in that budget to cover the cost incurred
- That the purchase is under £500 in value (gross)
- And that the purchase has express approval from the budget holder or Town Clerk prior to the card being used.

Name of Officer receiving Card:		Reason for purchase:	
Budget Code/Heading:		Cost Code/Heading:	
Name of Manager who has authorised purchase:		Anticipated spend: (£ amount)	
Is there funding available in the identified cost centre?			Yes/No

Date issued:		Time Issued:	
Issued to: (sig)		Issued by: (sig)	
Date Returned:		Time Returned:	
Returned by: (sig)		Received by: (sig)	
Receipt received?			Yes/No