



2nd April 2025

Dear Councillor,

I hereby summon you to attend a meeting of **Peterlee Town Council** on
Monday 7th April 2025 In the Council Chamber, Shotton Hall,
Peterlee, SR8 2PH, at 6.30pm

Mr I Hall
Town Clerk

Members of the public are very welcome to attend our meetings. We have a limited number of designated public seating in our Council Chamber and so any members of the public wishing to attend to observe the meeting are advised to contact the Council in advance so that we can reserve a seat for you: council@peterlee.gov.uk or (0191) 5862491.

AGENDA

1. Apologies for Absence

2. To receive declarations of interest

Members are reminded of the need to disclose any interests in items on this agenda, whether pecuniary or otherwise. Please seek advice from the Town Clerk or Deputy Town Clerk **prior to the meeting** if in doubt. Members are reminded that they can check their published declaration of interests here: <https://bit.ly/2wVyeLA>

3. Public Participation

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

4. Minutes

To approve the Minutes of the following meeting:-

- a. Council held on 17th March 2025 (Copy attached)
- b. Governance Committee held on 25th March 2025 (Copy attached)

5. Internal Audit Report

Report of the Internal Auditor. (Copy attached)

6. Review of Committee Structure

Report of the Town Clerk. (Copy attached)

7. Review of Standing Orders

Report of the Town Clerk. (Copy attached)

8. Review of Financial Regulations

Report of the Town Clerk. (Copy attached)

9. Review of Scheme of Delegation to Officers

Report of the Town Clerk. (Copy attached)

10. Eden Lane Depot - Update

Report of the Town Clerk. (Copy attached)

11. Citizens Advice

Report of the Pavilion & Sports Community Manager (Copy attached)

12. Exclusion of Press and Public

To resolve that in view of the confidential nature of the items to be discussed, the committee pass 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, Part 1, due to the commercial and personal information contained in the report.

13. Future Hedge Cutting, Embankment Maintenance

Report of the Neighbourhood Services Manager. (Copy attached)

PETERLEE TOWN COUNCIL

Minutes of the **Town Council** meeting held on **Monday 17th March 2025** at 6.30pm in the Council Chamber, Shotton Hall, Peterlee.

Present: Councillor D Howarth (Mayor) and
Councillors F J Black, R Burnip, M A Cartwright, B Fishwick, D Hawley,
K Hawley, A Laing, R Moore, R Scott, S Simpson, M T Tough.

Also Present: Ian Hall (Chief Officer and Town Clerk), David Anderson (Locum Democratic Services Manager), Deborah Woodhall (Resources Manager) and Louise Hudson (Democratic Services Assistant)

One member of the public was present.

C.165/25 APOLOGIES FOR ABSENCE
Apologies for absence had been received from Councillors T Duffy, M L Franklin, S Franklin, K Liddell, M McCue and M Sanderson.

RESOLVED: That the apologies be noted.

C.166/25 DECLARATIONS OF INTEREST
No declarations of interest were submitted.

C.167/25 PUBLIC PARTICIPATION
No questions were raised during public participation.

C.168/25 MINUTES

a. Council held on 3rd March 2025

RESOLVED: That the Minutes of the above meetings be approved as a correct record

C.169/25 PROPOSAL TO PARTNER WITH FUNDRAISE & RECYCLE LTD FOR CLOTHING BANKS
Consideration was given to a report of the Communication and Marketing Officer, which had been circulated with the agenda, to advise Members of a proposal from Fundraise & Recycle Ltd regarding the placement of clothing banks on Peterlee Town Council premises. Members were asked to consider whether they wished to proceed with this partnership.

RESOLVED

1. That Members agreed to the partnership and that each year, all funds raised would go the presiding Mayor's chosen charities.
2. That clothing banks be situated at the following Peterlee Town Council premises:

Pavilion, Helford Road
Eden Lane Depot Car Park
Car Park on Lowhills Road (adjacent to CALM)

C.170/25

SALE OF THE STAGE AT SHOTTON HALL

Consideration was given to a report of the Town Clerk, which had been circulated with the agenda, seeking approval for the sale of the stage at Shotton Hall due to its excessive storage requirements and limited practical use.

RESOLVED

1. That the stage located at Shotton Hall be sold for the best possible price.
2. That proceeds from the sale be used to fund the purchase of a new compact and suitable stage for The Pavilion.

C.171/25

REVIEW OF THE TOWN COUNCIL'S APPROACH TO RISK, RISK POLICY AND RISK REGISTER

Consideration was given to a report of the Town Clerk, along with applicable appendices, which had been circulated with the agenda, providing Members with an overview of the Council's approach to managing risk, outlining the key internal risk controls to enable Members to carry out the annual review of the Council's Risk Register as required by regulation.

RESOLVED

That Members approve the Council's corporate risk assessment and matrix and Risk Policy.

C.172/25

CONTRACTOR DAMAGE AT WOODHOUSE PARK

Detailed consideration was given to a report of the Town Clerk, which had been circulated with the agenda, informing Members of damage caused by a contractor at Woodhouse Park during recent hedge cutting works, and to consider options available to the Council.

Following detailed consideration a proposal was made for officers to have an adult conversation with the contractor with a view to discounting the invoice to take into account the cost of repairing the tyre marks.

A vote was taken on the proposal:

For	8
Against	1

3 Members abstained from voting.

Councillor Tough requested that his name be recorded as voting against the proposal and noting that he was in favour of option 3 as detailed in the report.

RESOLVED

That the contractor be contacted to discuss a discount to the invoice to take into account of the cost of repairing the tyre marks.

C.173/25

EXCLUSION OF PRESS AND PUBLIC**RESOLVED:**

That in view of the confidential nature of the items to be discussed, the Council passed a 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, Part 1, due to the commercial and/or personal information contained in the report.

**C.174/25 SUCCESSFUL GROUNDS MAINTENANCE CONTRACT BID –
FERRYHILL TOWN COUNCIL**

Consideration was given to a report of the Town Clerk, which had been circulated with the agenda, informing Members that Peterlee Town Council had successfully secured a grounds maintenance contract with Ferryhill Town Council.

RESOLVED That Members noted the successful bid and offered congratulations to those involved in securing the contract.

C.175/25 COUNCIL INSURANCE RENEWAL – QUOTE COMPARISON

Consideration was given to a report of the Town Clerk, which had been circulated with the agenda, with regard to the Council's insurance renewal.

Members noted the cost comparisons for a single year agreement and an three year agreement from each insurer.

Members were advised that the cost of the premium would be adjusted by the insurer to take into account the proposed sale of Shotton Hall, and any other amendments to the cover required.

RESOLVED That the Council renews its insurance cover with Zurich Municipal for a three-year period at an annual cost of £45,558.06.

PETERLEE TOWN COUNCIL

Minutes of the **Governance Committee** meeting held on **Tuesday 25th March 2025** at 10.00am in the Council Chamber, Shotton Hall, Peterlee.

Present: Councillor R Moore (Chair) and
Councillors J. Black, R. Burnip, K. Hawley and B Fishwick

Also Present: D Woodhall (Resources Manager), David Anderson (Locum Democratic Services Manager) and Louise Hudson (Democratic Services Assistant)

G.11/25 APOLOGIES FOR ABSENCE

Apologies for absence had been received from Councillor A Stockport.

RESOLVED: That the apology be noted.

G.12/25 DECLARATIONS OF INTEREST

No declarations of interest were submitted.

G.13/25 REVIEW OF STANDING ORDERS

Members carried out a review of Standing Orders.

It was noted that the latest model standing orders issued by NALC was published in 2022. The Council's standing orders therefore complied with the current model. The only required amendment was to the contract threshold at 19f which had recently been updated in the latest Model Financial Regulations.

RECOMMENDED That a report be submitted to Council recommending that Standing Order 19f be amended to reflect the updated Financial Regulations.

REVIEW OF DELEGATIONS

G.14/25 DELEGATIONS TO COMMITTEES AND WORKING PARTIES

Consideration was given to the Council's Committee Structure and Terms of Reference.

- RECOMMENDED:**
1. That Council continue to meet on the first and third Monday of each month, with the exception of the August recess; except where a Bank Holiday falls on a Monday on the first or third week in which case Council be held on the following Tuesday.
 2. That the Resources Committee, Community & Environment Committee, Scrutiny & Performance Committee and Finance Sub-Committee be disbanded.
 3. That the Human Resources Sub-Committee become Human Resources Committee reporting direct to Council.

4. That the Health & Safety Sub Committee become Health & Safety Committee and report direct to Council.
5. That the Governance Committee incorporate responsibility for performance review and be renamed Governance & Performance Review Committee.
6. That the Events Working Party become Events Committee.
7. That committees shall have 5 members, with the exception of the Events Committee which shall have 15 members and the Governance Committee which shall have 6 members.
8. That members should be appointed to committees at the annual meeting on the basis of political proportionality.
9. That a report be submitted to Council to amend the Committee structure and terms of reference in accordance with the Committee's recommendations.

G.15/25 DELEGATIONS TO OFFICERS

Consideration was given to the Council's Scheme of Delegation to Officers.

Members noted that the reference to spending thresholds at 6.4 needed to be amended to reflect the recently updated Financial Regulations. In addition the Authorised Officers Signatory list at Appendix 1 required amendment to reflect the new staffing structure.

Detailed consideration was given to the Section 8 Property Matters and Section 13 Legal Proceedings. The Locum Democratic Services Manager was requested to research the origin of the document.

- RECOMMENDED:**
1. That spending limits at 6.4 be amended to reflect the recently updated Financial Regulations.
 2. That further information be sought in relation to the wording of Section 8 Property Matters and Section 13 Legal Proceedings.

G.16/25 FURTHER REVIEW OF POLICIES

Consideration was given to how members wished to be involved with the remaining policies. Members indicated that they wished to review all policies in detail.

The following policies would be circulated prior to the next meeting for review: -

Abusive, Unreasonable & Vexatious Complaints Policy
Allotment Policy
Annual Leave Policy

Eyecare Policy
Maternity Policy
Menopause in the Workforce Policy
Performance Appraisal Policy
Redundancy Policy
Retirement flexible retirement & Pensions Policy
Special- Bereavement and Emergency Leave Policy
Whistle Blowing Policy
Working from home Policy

RECOMMENDED:

That a meeting of the Governance Committee be held on Tuesday, 8th April 2025 at 10.00am, in the Council Chamber, Shotton Hall to review the above policies.

DRAFT

Report to:	Peterlee Town Council
Date of Meeting:	7 th April 2025
Subject:	Internal Audit – 2024/25 Progress and Implementation of Recommendations
Report of:	Ian Hall, Chief Officer/Town Clerk
Report Purpose:	To advise Members of the recent Internal Audit conducted by Clive Owen LLP; to note the Auditors recommendations and actions taken and planned as a response to the recommendations.
Background:	As part of the Council's three-year Service Level Agreement, Clive Owen LLP completed an Internal Assurance review in February 2025 covering key areas of governance, finance, and compliance.
Detail:	<p>The Auditor's report is attached at Appendix 2 for Members attention.</p> <p>The Auditor has concluded that:</p> <p>“Overall, the Council operates a reasonable system of control over the various areas reviewed above but there are several areas that require major improvement.</p> <p>All tests were completed in accordance with the schedule of work and have been satisfactorily concluded subject to the recommendations raised.</p> <p>It is acknowledged that a high turnover of senior staff, a staffing restructure, and the subsequent recruitment processes have contributed to the issues identified.</p> <p>The significant recommendations from this visit which need urgent attention relates to the publication of updated information on the Council website and retaining the correct Right To Work in the UK evidence on recruitment.”</p> <p>All actions recommended by the Auditor have now been implemented as stated in the report.</p>
Recommendations:	<ol style="list-style-type: none">1. That the Internal Auditor's report be noted.2. That the actions taken to implement the recommendations of the Auditor be noted and endorsed.

Appendix 1: Implications

Finance The audit confirms that financial systems and controls are in place and operating effectively, with only minor improvements required.

Staffing No direct implication.

Risk The audit process helps to mitigate corporate and operational risk by identifying and addressing areas of non-compliance or inefficiency.

Equality and Diversity, Cohesion and Integration No direct implications

Crime and Disorder No direct implications

Consultation & Communication No direct implications

Procurement Specific audit findings addressed the need for improved record-keeping and decision tracking in procurement processes

Legal Addressing audit recommendations supports the Council's duty to demonstrate good governance and accountability.

Appendix 2

Internal Audit Report

Peterlee Town Council
Internal Assurance Report
2024-25

FINAL



Section 1 – Introduction and coverage

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Section 1 – Introduction and coverage

You have instructed Clive Owen LLP to undertake Internal Assurance for Peterlee Town Council. This report summarises work carried out by Clive Owen LLP during 2023 / 24, as part of the three-year Service Level Agreement covering the provision of Internal Audit Services up to 31 March 2026.

The report provides assurance on the effectiveness of the Council's control environment, risk management and corporate governance arrangements in place during the year.

The requirement for an internal audit function is implied by Section 151 of the Local Government Act 1972 which requires all relevant bodies to, "make arrangements for the proper administration of their financial affairs and ensure that one of its officers has responsibility for the administration of those affairs".

The Accounts and Audit Regulations 2015 require those bodies to "undertake an adequate and effective system of internal audit of its accounting records and its system of internal control in accordance with the proper practices in relation to internal control".

Anything which should be brought to your attention and / or recommendations for the possible improvements are summarised by use of a 'traffic light' system. The key is as follows:

Status	Risk Level	Classification
RED	High Risk Identified	A fundamental system or control weakness has been identified which presents unacceptable risk to the current systems and internal controls. Management must ensure this recommendation is addressed as a matter of priority.
AMBER	Medium Risk Identified	The current systems and internal controls are effective but there is scope for further improvement where specific weaknesses have been identified whose impact presents potential risks or non-compliance with statutory guidance or legislation.
YELLOW	Low Risk Identified	Systems and controls are designed and in place but could benefit from improvement in design or application. We acknowledge that controls are in place, but attention may be required to ensure these are applied effectively at all times.
GREEN	No Risk Identified	The relevant systems and internal controls in place are well managed and applied effectively. No recommendations have been made.

NOTE TO COUNCIL:

If it is reported on two previous occasions that a particular control tested has been 'amber' then it will automatically be reported as 'red' on the next report if no improvements to the internal control have been made.

If a control has been reported as 'red' this particular test will be revisited at the next termly visit to assess whether new procedures have been introduced.

Section 2 – Executive summary

Introduction

The visit to Peterlee Town Council took place between 3 and 10 February 2025 for the purposes of carrying out tests in accordance with the agreed schedule of work.

A summary of the findings from the reviewed areas is shown below:

Area Reviewed	Current Systems and Internal controls are appropriate	Current Systems and Internal controls are applied effectively	Yellow – low risks identified	Amber – medium risks identified	Red – high risk identified	Status
Procurement	✓	✓ (see note 1)	4	0	0	YELLOW
Sales Invoice Procedures	✓	✓	0	0	0	GREEN
Income and Cash Security	✓	✓	0	0	0	GREEN
Month End and Budget Monitoring Procedures	✓	✓	0	0	0	GREEN
VAT Returns	✓	✓ (see note 1)	1	0	0	YELLOW
Payroll	✓	✓ (see note 1)	1	0	0	YELLOW
HR & Staffing	✓	X	1	0	1	RED

Section 2 – Executive summary


Introduction (continued)

Area Reviewed	Current Systems and Internal controls are appropriate	Current Systems and Internal controls are applied effectively	Yellow – low risks identified	Amber – medium risks identified	Red – high risk identified	Status
Asset and Investment Register	✓	✓ (see note 1)	1	0	0	YELLOW
Risk Management	✓	X	0	1	0	AMBER
Website Publication and Compliance	X	X	0	0	1	RED
Total			8	1	2	

Note 1 – subject to low-risk recommendations made to improve current controls

Section 3 – Previous recommendations

There was one previous visit to Peterlee Town Council on the 21st and the 22nd of February 2024 and during that visit the following recommendation was made:

	Recommendation	Action taken to date
	It would be normal procedures that, one member of staff uploads the list of invoice payments to be made onto the online banking system and then, for separation of duties and as a double check, another different member of staff would check and confirm the payments were okay to be made.	The Finance Officer is now overseen by the Resource Manager when authorising the bank payments to add a second layer of authorisation.

The action taken in regard to the issue raised last year is seen as adequate and therefore this issue is no longer a concern.

Section 4 – Testing and recommendations

Procurement

Ordering Goods and Services

G

Chapter 11 of the Peterlee Town Council Financial Regulations includes the following guidance:

“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.

Order books shall be controlled by the Clerk / RFO.

All members and Officers are responsible for always obtaining value for money. 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”.

The process for ordering of goods and services was discussed with the Finance Officer and the Peterlee Town Council Financial Regulations 2023 (chapters 7 and 11 specifically relate to procurement and invoice payments) were reviewed to ensure compliance.

Each department within the Council has their own designated purchase order book that they use for the procurement of goods and services. These books are triplicated and include:

1. A white copy of the order which goes to then supplier (if not emailed)
2. The pink copy of the order is attached to the invoices
3. The blue copy stays in the order book

Each order has a unique purchase order number and requires information such as:

- Department
- Authorised signature
- Supplier
- Date of request
- Unique order number
- Nominal code to which the expenditure is to be allocated
- Order details such as amounts, description of items, and costs
- Deliver to address

Section 4 – Testing and recommendations

Procurement (continued)

Ordering Goods and Services (continued)

The authorisation levels for individual orders as shown in the Peterlee Town Council Financial Regulations are:

- The Clerk can authorise any items up to and including £2,500.
- The Clerk, in conjunction with Chairman of Council or Chairman of the appropriate committee, for any items between £2,500 and £5,000, or
- A duly delegated committee of the Council for items between £2,500 and £5,000.
- Anything over the £5,000 must be approved by Council (unless this is an emergency requirement)

Once the order has received appropriate authorisation, the order number is either emailed or provided to the supplier via telephone.

On receipt of the goods, the team who ordered the goods are required to confirm the delivery and their satisfaction that the order is complete. Any delivery notes are annotated and attached to the pink copy of the purchase order and any invoices that are received by the Finance Officer.

The copy order, any delivery notes, and invoices received are all sent to and collated by the Finance Officer for reconciling and payment. Each invoice is stamped with the following detail:

- Nominal code
- Cost centre
- Delivery of goods confirmed
- Invoice examined and passed for payment (these are the initials of members who approve the invoices for payment)

A list of purchase ledger payments is created by the Finance Officer which summarises each of the invoices for payment:

- Supplier and invoice details
- Invoice date and invoice number
- Amount due
- Amount paid
- Balance outstanding

The invoice batches are taken to members where at least 2 are required to review and initial each invoice to authorise for payment.

Section 4 – Testing and recommendations

Procurement (continued)

Ordering Goods and Services (continued)

All invoices which have been authorised by the members are then entered onto the main accounting system by the Finance Officer to generate the BACS payments using the Co-op online banking system.

It was noted that the Corporate Services Manager and the Deputy Town Clerk can also both create BACS runs should then need arise.

Access to the online banking is restricted to the use of specific tokens and passwords.

The Finance Officer uploads the CSV file to the bank confirming both the amounts to be paid and the date of payment.

It appears that the Finance Officer has overall single control on the payment process but is overseen by Resource Manager when the bank payment is made so there is a separation of duties and there is another layer of authorisation.

The council members are also presented with the list of invoices to be paid at the end of the month and are given a list of entries into the finance system to check and approve, this again adds another layer of authorisation and ensures no one person has autonomy of paying invoices.

Section 4 – Testing and recommendations

Procurement (continued)

Order Completion and Invoice Payments

G

A sample of payments was selected to ensure that orders have been generated, purchases have been duly authorised and are appropriate, and invoices have been correctly processed for payment, including any VAT elements.

Order No	Invoice date	Supplier	Gross Amount £	Details of Order / Invoice	Invoice number	Approved by council	Delivery certified?	Stamped and dual authorised?	Recorded in accounting system inc VAT
13582	11.12.24	JD Bar and Coffee events	516.35	Coffee and hot chocolate	1028	✓	✓	KL & SS	Yes, £516.35 no VAT element
13757	29.10.24	Height for Hire	660	Access machinery	3740000087	N/a	✓	WR & SS	550 + 110 VAT
13551	11.06.24	Durham Air	834	Air conditioning refurbishment	2444	N/a	✓	SS & JH	695 + 139 VAT
13454	24.05.24	Aitkens	949.78	Sands for football pitch	27846	N/a	✓	SS & JH	Yes, 791.48 + 949.78 VAT
13381	17.06.24	J.Walsh	200	Pilates sessions	NA	N/a	✓	SS & JH	Yes, £200 no VAT element
13236	12.05.24	CMS	2080.48	Removing faulty burner	2711	N/a	✓	KL & SS	Yes, £1733.73 + £346.75 VAT
13456	30.04.24	Landscape Supply Co	122.95	Tapes	133112	N/a	✓	KL & SS	Yes, £122.95 + £20.49 VAT
13294	22.04.24	Teak Garden Furniture	1440	Memorial Bench	220424	N/a	✓	KL & SS	Yes, £1200 + £240 VAT

Section 4 – Testing and recommendations

Procurement (continued)

Order Completion and Invoice Payments (continued)

From the review of the above sample of invoices it is evident that:

- Official orders are used and suitably authorised where required in line with the Financial Regulations guidance on procuring goods or services
- Pink copies of purchase orders are attached to both the invoices and where possible the delivery notes
- Each invoice has been duly stamped to show the nominal and budget code
- Each invoice also has at least the initials of 2 members on to confirm the payment authorisation
- Each invoice had been correctly entered on the main finance system including VAT elements where applicable.

It appears from the sample above that very effective controls are in place.

Section 4 – Testing and recommendations

Procurement (continued)

Y

Miscellaneous nominal codes

The nominal ledger on the main accounting system was reviewed and discussed with the Finance Officer to ensure there was not a large miscellaneous code and that expenditure is being split correctly.

Expenditure appears to be separated into sufficient nominal areas and the Finance Officer confirmed that invoices are allocated to an appropriate expenditure code.

This helps to improve the accuracy of the quarterly budget reports that are produced.

It was confirmed following a conversation with the Finance Officer that there are miscellaneous codes for both expenditure and income for each site.

After a review of these nominals, it was found that there were items that were wrongly allocated to miscellaneous and could have instead been better allocated to a different code. This was because of the original invoice being stamped and mis-coded, however it was noted that some of the staff with budgeting responsibilities are new in post and may not have had adequate training at the time of the visit.

Recommendation

It would be recommended that as a part of the quarterly budget reporting procedures to council, that the Finance Officer checks the entries made into the miscellaneous codes for the period and ensures all items are correctly allocated, this would ensure that when the budget is reviewed during or at the end of the year, that the spending for each nominal code is an accurate representation of what occurred during the year.

<u>Management Response and Agreed Action</u>	<u>Designated Responsible Officer</u>	<u>Target Date for Action Implementation</u>	
<i>Quarterly reviews of 'miscellaneous' nominal codes will be undertaken to prevent future misclassifications.</i>	<i>Town Clerk</i>	<i>Implemented</i>	YELLOW

Section 4 – Testing and recommendations

Procurement (continued)

Y

Quotation and Tendering Procedures

Peterlee Town Council's Financial Regulations state:

“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.”

A sample of transactions were selected from the purchase's ledger with varying values.

WBD Solicitors

Align Property Solutions is a company which the council have been engaged with in regard to the selling of property, the council has researched and tried to use multiple solicitors., they do not have a set solicitor, every time legal work is required, they request quotes. However, WBD is a firm which was recommended to the council by Align Property Solutions and was known to be reputable and specialised in the services which the council did require. This process for quotes is satisfactory due to the many issues the council has had in the past with getting solicitors. After a review of the correspondence, it appears Align Property Solutions approached WBD on the council's behalf and gave the work specification and ensured value for money. WBD then got in contact with the Town Clerk and proposed a fee which was accepted after it was passed by the members.

MB Audio visual

There was a musical festival, and the council attempted to gather four quotes in regard to staging. After the quoting process due to availability reasons their best quote was £4,500 + VAT however this service was no longer available after unfortunate circumstances with the business owner. So, as a result of this they were offered an affiliated contact and due to the speed in which things had to happen with the event occurring in a week's time it was decided to go with this service as they had struggled to gather quotes in the first instance and with time being so short they went with this service short they. In total the full gross amount for this service was £5,854.80. It was confirmed that this matter was not taken to council and as this event went over the designated budget for this event this process is not seen as satisfactory, however it has been identified that the member of staff in charge of this at the time no longer works here and it is clear within the testing undertaken that the process and procedures in regards to quotes and tenders has since been tightened up.

Section 4 – Testing and recommendations

Procurement (continued)

Quotation and Tendering Procedures (continued)

Lloyd Limited

This is tractor maintenance, which is a specialised service, this means that there were no options as it is specialist equipment, so they had to use the original supplier to repair. Value for money is clear within this transaction because due to negotiating with the original supplier they were able to reduce their bill as the council was not solely accountable for the damage caused to the machine. This was the second instance of the machine failing in this specific area, so the suppliers covered the first instance, and the council paid for the damage in the second instance. Again the council did not gather 3 quotes for this transaction however that is not seen as an issue as due to the nature of the damages and the repairs to be completed the options were limited for suppliers and any other suppliers may have come at a cost of the machine being out of operation for a longer time, there was an issue with the recording of correspondence however this has been discussed with the Town Clerk and with the large changes to staffing in the relevant period this is not seen as a major issue within the council procedures.

Mark Harrod

Goal posts, as per the correspondence the council did get three quotes for new goalposts. It was decided to go with the cheapest of the three which cost a gross amount of £3,116.06 incl VAT, this was not presented to the council as it was emergency works, instead the Town Clerk had a call with the Mayor who did approve this as the transaction value was not greatly above the Town Clerk's spending limit this process for this transaction is seen as satisfactory.

Durham Flooring Ltd

This was for emergency works completed in regard to flooring which had began to bubble and cause damage. Durham Flooring Ltd were out on an emergency call out to secure the site and ensure its safety and then came back out to fix any damage caused. This transaction was under the Town Clerks discretionary spending limit however it has been identified through a conversation with the CFO and other invoice testing that the Council operate with best practice when making larger purchases even if they do not go above the Town Clerk's spending limit, they will gather quotes and discuss and negotiate with suppliers in order to ensure best value for money is achieved. In this case due to the fact Durham Flooring has already secured the site and had a familiarity with the issues at hand and any repairs which may be required it was logical for the council to then use them to repair the damages.

It is clear within the testing and conversation with the relevant staff members that value for money is always the aim from every transaction. However, the processes and discussions behind decision making is not always documented in the event of challenge.

Section 4 – Testing and recommendations

Procurement (continued)

Quotation and Tendering Procedures (continued)

Recommendations

It would be recommended that there needs to be a larger focus on the recording of correspondence, it was identified that a large portion of the communication with suppliers was done via phone calls so there needs to be summaries of conversations noted down for the record to support any decision making.

It is also best practice to document decision making regarding why choosing one supplier over another should the decision be challenged at a later date. Also, when choosing the cheapest supplier ensuring there is documentation and reasoning showing that the quality will not be lost by choosing the cheapest and the project will still be adequately completed.

<u>Management Response and Agreed Action</u>	<u>Designated Responsible Officer</u>	<u>Target Date for Action Implementation</u>	
<i>Staff have been instructed to retain and record written notes of all supplier communications.</i> <i>A standard template has now been developed to log procurement decisions, training is also scheduled for Q1 2025/26 on tendering processes and decision making.</i>	<i>Town Clerk</i>	<i>Implemented</i>	YELLOW

Section 4 – Testing and recommendations

Procurement (continued)

Y

Petty Cash

It was confirmed after a conversation with the finance officer that the council does not have a typical petty cash system as there was no need for it due to having debit cards in circulation.

“ 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 substantiating the payment. ”

The records regarding petty cash were reviewed in relation to money from the till used for supplies for the Bistro. It was confirmed with the Finance Officer that the staff will take money from the till and bring back the item with the proof of purchase and it will be attached to the week-end overview.

A sample of occurrences of petty cash were reviewed.

Date of Expenditure	Description	Value (inc VAT) £	VAT amount	Appropriate Expenditure/Income	Evidence Retained of Purchase	Entered Correctly on Finance System
18.01.25	8x milk	12.72	0.00	Yes	Yes, receipt attached	Yes
07.12.24	4x milk	3.69	0.00	Yes	Yes, receipt attached	Yes
24.10.24	3x milk	4.77	0.00	Yes	Yes, receipt attached	Yes
11.10.24	Items for deserts sprinkles etc	20.24	1.51	Yes	Yes, receipt attached	No - Note 2
Week of 09.06.24	Basic ingredients and crisps	5.65	Note 1	Yes	No – Note 1	Yes

Section 4 – Testing and recommendations

Procurement (continued)

Petty Cash (continued)

Note 1 - During the testing it was found that one of the transactions were evidenced by a sticky note stating the items (not the total per item) and then stating no receipt. Within this transaction there was not a VATable item, so this error did not affect VAT. However, because of not having a receipt, you do not know the claimable VAT amount and without a receipt and a VAT number, would not be able to claim this on a VAT return. As a result of this the council could be missing out on reclaimable VAT, if the lack of a receipt continues to be an issue.

Note 2 – This transaction contained VAT, on the receipt the items were clearly detailed as was the value of VAT and the VAT number. It was confirmed by the Finance Officer that this must have been an error whilst entering into the finance system, it was noted that during other reviews of the finance system this does not appear to be a reoccurring issue and just a one-off incident. Therefore, no recommendation has been made.

Recommendation

It would be recommended that the staff are reminded that transactions must be evidenced with a VAT receipt when making purchases with money from the bistro till.

<u>Management Response and Agreed Action</u>	<u>Designated Responsible Officer</u>	<u>Target Date for Action Implementation</u>	
Staff have been reminded of the importance of retaining VAT receipts.	Town Clerk	Implemented	YELLOW

Section 4 – Testing and recommendations

Procurement (continued)



Debit Cards

The Peterlee Town Council Financial Regulations state –

“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 £5,000 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.”

“A pre-paid debit card may be issued to employees with varying limits. These limits will be set by the council or 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.”

There are two cards at Shotton Hall and at the Pavilion and these are used by all authorised staff and transactions are retrospectively approved by members at meetings. The security of these cards is not a concern as they must be signed in and signed out by the member using them at the time.

However, the use of these debit cards is not clearly reflected in The Peterlee Town Council Financial Regulations as is required to be transparent about their processes.

Recommendation

It would be recommended that The Peterlee Town Council Financial Regulations are updated to include the current processes in regard to debit card, there is no current issue with the actual process itself, but it must be reflected in the Council’s published policies.

<u>Management Response and Agreed Action</u>	<u>Designated Responsible Officer</u>	<u>Target Date for Action Implementation</u>	
<i>The Financial Regulations have been updated to reflect current practices regarding the use of debit cards.</i>	<i>Town Clerk</i>	<i>Implemented</i>	YELLOW

Section 4 – Testing and recommendations

Sales Invoice Procedures

Raising of Sales Invoices

G

The procedures involved in the requesting of and then raising of sales invoices were reviewed and discussed with the Finance Officer.

Sales invoices can be raised for charges relating to various provisions including:

- The use of the Pavilion facilities such as
 - the bar and bistro for special events / parties
 - meeting rooms / halls for aerobics / exercise classes or staff awareness training courses ran by the various local authorities
- The use of MUGA facilities for hire
- The use of football pitches for hire
- Services such as allotment rent charges
- Grant invoice recharges
- Secondment of staff charges

The Rialtas Finance System incorporates a booking system which various council staff have access to so they can generate sales invoices for on-going bookings.

For any non-booking / the one-off ad hoc invoices that are not on the booking system, these are usually requested by the managers to the Finance Officer via an email. The request should always include the following detail:

- Name of client / club / lettee
- Description of the charge (such as office rent, aerobics classes, pitch fees, allotment rents etc)
- Period / frequency of how often the invoice should be raised (such as quarterly, half yearly or annual)
- Date for the invoice
- Amount
- Vat element
- Total amount of the invoice

The invoices are raised on the finance system and e-mailed out to the client with a copy retained on file annotated with the date it has been issued.

Section 4 – Testing and recommendations

Sales Invoice Procedures (continued)

Raising of Sales Invoices (continued)

When the invoices are paid, each invoice is annotated with the following detail:

- The date the invoice was paid
- The method by which the invoice was paid (such as cash, cheque, or BACS)

Following the completion of the monthly bank reconciliation by the Finance Officer, she then runs a sales invoice report to show all un-paid sales invoices by customer.

These are issued with an account statement to prompt them to make payment.

All invoices are stored on file in the main finance office for ease of access should the need arise.

Section 4 – Testing and recommendations

Sales Invoice Procedures (continued)

G

Sales Invoicing

A sample of sales invoices raised for facilities including charges for letting of facilities including the bar / bistro, meeting rooms / halls, the MUGA, and other ad-hoc invoices were reviewed to ensure that they had been raised correctly and annotated when the payment had been received before being reconciled as part of the month end process by the Finance Officer.

Date Raised	Customer	Sales Invoice No	Description	Value £	Paid	Reconciled to Bank Statements	Correctly recorded on Finance System
29.11.2024	Peterlee One Point	C2589	Electricity Account	1964.22	Yes – paid 27.12.2024	✓	✓
29.11.2023	Innovations Ltd	C2585	Rent – Hill Rigg House	3527.79	Yes – paid 30.12.2024	✓	✓
29.11.2024	Grant Dickinson	C2583	Works at Acre Rigg academy	636.00	Yes – paid 07.01.2025	✓	✓
29.11.2024	Peterlee Scouts	C2586	Ground rent for scouts	5.00	Yes – paid 06.12.2024	✓	✓
31.12.2024	Harbour Support Services	10926	Rent of room	108.00	Yes – paid 24.01.2025	✓	✓
31.12.2024	Harry Scott	10908	Muga juniors peak	105.00	Yes – paid 14.01.2025	✓	✓
29.11.2024	North Tees & Hartlepool Foundation	10901	Hire of the community facility	175.00	Yes – paid 19.12.2024	✓	✓
31.12.2024	E. Williams	10905	Hire of the community facility.	50.00	Yes – paid 14.01.2024	✓	✓

From the sample of sales invoices reviewed there were no issues identified. There were no outstanding balances in this sample however there is a debt recovery process in place for unpaid accounts and this is adhered to.

Section 4 – Testing and recommendations

Income and Cash Handling

Income Guidance

G

Chapter 10 of the Peterlee Town Council Financial Regulations approved in May 2023 includes pointers such as:

- 10.1 *The collection of all sums due to the Council shall be the responsibility of and under the supervision of the 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.*
- 10.4 *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 regularly*
- 10.6 *The origin of each receipt shall be entered on the paying-in slip.*
- 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.*

Sources of Income Received

G

The main sources of income received by the council was discussed with the Finance Manager and includes:

- Bar takings (from the pavilion)
- Allotment rents
- Cemetery purchases
- Fishing Day Passes
- Garage rentals
- Log sales
- Sales invoices
- Various public events tickets and stalls

Section 4 – Testing and recommendations

Income and Cash Handling (continued)

G

Income Safeguarding and Financial Security

The documented process of collecting and recording income from receipt to entering onto the accounting system, then banking was reviewed and discussed with the Finance Officer.

Any cash, cheques or card payments that are made by the public at the main council office reception are all taken and recorded in a duplicate receipt book, with each receipt showing:

- Date
- Receipt number (these are all in sequential order)
- Received from
- Detail / reason for payment
- Whether cash, cheque, or credit card
- Amount received
- Signed by the PTC employee

A white copy of each receipt is provided to the customer with the lower yellow copy retained in the receipt book.

The cash, cheques and credit card transactions are then entered onto a large A3 cash book which shows:

- Date of receipt
- Payee
- Cash amount
- Cheque amount
- Total taken

The cash and cheques are then stored in the main finance office safe until banking is possible (with access to the safe restricted to finance and senior personnel only).

Section 4 – Testing and recommendations

Income and Cash Handling (continued)

Income Safeguarding and Financial Security (continued)

When banking is to take place, the cash book is then ruled off under the most recent transaction showing the total amount of the cash and cheques received since the last banking took place.

These amounts are then reconciled against the takings that have been stored in the safe. The insurance limits for storage of cash in the safe were reviewed and confirmed that these are never exceeded as banking takes place on a frequent basis depending on how much is in the safe.

Cash is taken and deposited into the local post office and any cheques that have been received are posted to the bank (a copy of each cheque is retained with a copy of the deposit slip)

The Pavilion also takes cash for events such as keep fit classes, bar takings, bistro and via reception.

These takings are kept in the safe at the Pavilion until Loomis collect and take to the bank. The takings are recorded on a weekly breakdown sheet detailing:

- Coin / note denominations
- Bistro takings
- Bar takings
- Reception takings
- Total of each denomination
- Total cash
- Total cheques

A copy of the breakdown sheet is retained along with a copy of the deposit slip showing the matching amounts banked. Should there be any cheques taken then a copy of this is also retained with the breakdown summary and deposit slip.

The cash book was reviewed and verified back to the bank statements for the relevant periods it was confirmed that there are no instances where the cash held goes over the limit of which they are insured for, which is £12,500 and £10,000 for the two safes.

Section 4 – Testing and recommendations

Income and Cash Handling (continued)

G

Miscellaneous receipts and banking

A sample of various income streams were reviewed to ensure that:

- Transactions are completed on the receipt book
- The totals on the receipt book tally with the weekly banking sheet
- All transactions recorded have been banked promptly and in full and agree to bank statements.

Date Income received	Details	Value £	Total Amount Banked £	Deposit Slip Copied	Date Banked	Matches Income Records	Reconciled to Bank Statement	Recorded On Finance Systems
13.09.2024	Dog bags	3.00	1174.50	Yes	20.12.2024	✓	✓	✓
08.10.2024	Allotment purchase	55.00	1174.50	Yes	20.12.2024	✓	✓	✓
09.12.2024	Santa's wish income	150.00	1174.50	Yes	20.12.2024	✓	✓	✓
03.09.2024	Grave space purchase	265.00	1663.45	Yes	05.09.2024	✓	✓	✓
21.10.2024	Northern electric	57.55	1174.50	Yes	20.12.2024	✓	✓	✓
02.07.2024	Steven Clark – rent & key	90.00	738.00	Yes	08.07.2024	✓	✓	✓
11.06.2024	Allotment rent	35.00	790.00	Yes	12.06.2024	✓	✓	✓
22.05.2024	Fishing key	10.00	1468.67	Yes	24.05.2024	✓	✓	✓

Section 4 – Testing and recommendations

Income and Cash Handling (continued)

Miscellaneous receipts

Following the testing conducted above, the council's procedures and documentation for miscellaneous transactions is very robust and well documented.

The cash book is well documented, and their current underline system is clearly working well, as instances of money being banked, match up to that of the relevant bank statements and the deposit slips which are duplicated and kept for the record, these transactions were also confirmed to have been correctly entered onto the finance system.

Section 4 – Testing and recommendations

Month End and Budget Monitoring Procedures

G

Bank Reconciliation

Section 3.2 of the Peterlee Town Council Financial Regulation states that:

“On a regular basis, at least once in each quarter, and at each financial year end, one or more members, other than the Chairman, 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”

The reconciliations are usually carried out by the Finance Officer before being reviewed by the Town Clerk and Members on a monthly basis.

The most recent monthly bank reconciliations for the main Business Direct Plus bank account, were discussed before being reviewed.

<u>Bank Rec Ending:</u>	<u>Bank Statement Balance:</u>	<u>Unpresented items balance:</u>	<u>Adjusted Bank Balance:</u>	<u>Sage Cash Book Bank Balance:</u>	<u>Difference Between Bank and Cash Book £:</u>
31 December 2024	1,248,677.18 – Note 1	1097.60	1,249,774.78	1,249,774.78	£0.00
30 November 2024	1,382,166.19 – Note 2	2631.08	1,384,797.27	1,384,797.27	£0.00

The above reconciliations had all been completed by the Finance Officer (but had not yet been presented to the Council due to staff absences – see below)

The bank statements were also reviewed for any larger or unusual transactions but there were no issues identified.

Note 1 – Includes £100 from cheque and interest a/c

Note 2 – Includes £500 from cheque and interest a/c

Section 4 – Testing and recommendations

Month End and Budget Monitoring Procedures (continued)

G

Budgeting and Management Accounts

The budget setting process and monitoring arrangements were discussed and reviewed with the Town Clerk to confirm whether there is a requirement to compile financial information for the Council and if so what detail and how often.

Section 5.8 of The Peterlee Town Council Financial Regulations guidance, states that:

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.

Budget Monitoring

The Town Clerk confirmed that the budget monitoring report for the end of quarter 2 (period ending 30 September 2024) was presented to the Council on 2 December 2024. The detailed income and expenditure by phased budget heading report included:

- Code
- Budget heading
- 2023/24 total budget
- Quarter 2 forecast
- Quarter 2 actual
- Quarter 2 variance
- %age of budget
- Pro rata variance %

There was also as part of this report, a tabled summary of all variances that were over a set limit (which in this case was over 15%) showing the variance and suitable comments / explanations for perusal with the following narrative:

“Negative variances indicate an underspend, whether through reduced expenditure or increased income, or both”.

Section 4 – Testing and recommendations

Month End and Budget Monitoring Procedures (continued)

Budgeting and Management Accounts (continued)

Budget Monitoring (continued)

It was also confirmed by the Finance Officer that, every month, Councillors receive the following financial information:

- Any direct debits paid during the most recent completed month
- Any BACS payments made during the most recent completed month
- Any faster payments that have been made during the most recent completed month
- A full list of invoices from the current month that are to be approved for payment
- A monthly bank reconciliation for the following accounts:
 - Cheque and Interest Account (which incorporates both the cheque & interest account and the Public Sector Reserve account)
 - Credit / debit cards
 - Clerk's imprest account

It was identified that the most recent bank reconciliations had been completed for the period ending 31 May 2024 on 11 June 2024.

However it was discussed that during the recent absence of the Finance Officer, the Council had not received any bank reconciliations since the May 2024 one.

Due to the Finance Officer being absent from work for a period, alternative arrangements were in place for the day-to-day finance work to be continued with both the Democratic Officer and the HR & Admin Assistant being responsible for the monthly payment of invoices and other due expenditure.

Council was aware of the strain the absence had on the production of financial information but were kept updated of any significant expenses by the Town Clerk over this period.

Section 4 – Testing and recommendations

Month End and Budget Monitoring Procedures (continued)

Budgeting and Management Accounts (continued)

Budget Monitoring (continued)

Additional budget monitoring procedures were also discussed with the Town Clerk who confirmed, and provided detailed evidence of, the Finance Officer implementing additional budget forecasting methods.

At the end of November each year the Finance Officer compiles a “budget report” which, most recently, showed the actual income and expenditure for the year from 1 April 2024 to 30 November 2024 and the actual balance as of 30 November 2024.

The Finance Officer then estimates the income and expenditure for the remaining 4 months of the year. To do this the following process is carried out:

- Salaries are calculated for each of the 4 remaining months of the financial year (the current budget estimate was December 2024 to March 2025) and totalled
- Other expenditure is estimated for the remainder of the financial year (the most recent being for the period December 2024 to March 2025) based on the same period the previous year (expenditure reports are printed off for periods 9, 10, 11 and 12 from the previous year so in this case December 2023 to March 2024)
- Income is estimated for the remainder of the current financial year (the most recent being 1 December 2024 to 31 March 2025) based on the same period the previous year (income reports are printed off for periods 9, 10, 11 and 12 from the previous year so in this case December 2023 to March 2024)
- This will give an estimated balance as at the end of March (so the estimated balance at 31 March 2025 was £794,797.27).
- Any earmarked reserves are then deducted to give a more realistic overall carry forward balance. The balance forecast at the end of March 2025 from the work recently undertaken was £650,000 compared to the actual balance at the end of March 2024 which was £332,706.

This budget information is used by the Town Clerk to plan and create a realistic budget for the forthcoming financial year, so the most recent information was fed into the budget for the 2025 – 26 financial year.

Section 4 – Testing and recommendations

Month End and Budget Monitoring Procedures (continued)

Budgeting and Management Accounts (continued)

Budget Setting Process

Discussions were had with the Town Clerk as to how the annual budget setting process takes place and who is involved. It is acknowledged that the current Town Clerk was only appointed in May 2024 and was not involved in setting the current 2024-25 financial year's budget.

The Peterlee Town Council Financial Regulations, section 4 details budgeting and forward planning. Guidance include:

The RFO must each year, by no later than January, prepare detailed estimates of all receipts and payments including the use of reserves and all sources of funding for the following financial year in the form of a budget to be considered by council.

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.

The approved annual budget shall form the basis of financial control for the ensuing year.

During the current financial year Peterlee Town Council had undergone a service review around June / July 2024 which included making savings across the budget, primarily in the staffing costs.

To try and set a realistic budget, the Town Clerk needed to know the following from the Council:

- What services the Council wanted to deliver
- What services and / or events they wanted to provide
- What services and / or events they didn't want to provide
- What services and / or events they wanted to provide but couldn't afford

The Town Clerk attended several service review meetings through June 2024 onwards to help determine the direction the Council wished to take around the setting of the precept (council tax requirement) and any inflationary costs before commencing the budget for 2025-26.

Section 4 – Testing and recommendations

Month End and Budget Monitoring Procedures (continued)

Budgeting and Management Accounts (continued)

Budget Setting Process (continued)

Discussions were had with the Town Clerk as to the data involved in setting of the 2025-26 budget. The Council received an initial budget calculation at its meeting held on 16 December 2024. Following this meeting, the Town Clerk continued to work on the draft budget with Senior Managers.

Members were subsequently provided with a detailed budget schedule giving an indication of the precept requirements and Council Tax at each tax band should the initial draft be approved at the Council meeting on 20 January 2025. The key factors within the proposed budget presented in January 2025 to Council included:

- A Vision, Aims and Objectives which the Council agreed in August 2024 which sets the future direction of the Council
- A new staffing structure had been agreed on November 2024 with the objective of delivering the Council's broad aims. This will represent a significant saving during the year to the Council
- The increase in employers' national insurance costs will reduce the forecasted savings together with an allocation of 5% to cover the anticipated increase in costs resulting from the 2025/26 pay award
- Reduction of the 'Local Council Tax Reduction Scheme' (LCTRS) grant funding - Durham County Council has advised that the LCTRS grant for 2025/26 will be £190,455. A further reduction of £49,904. This means that the Town Council would need to add approximately 3% to the current year's precept to simply 'stand still' – before inflation or other budgetary considerations.
- Wages New Establishment plus 5% - It should be noted that pay awards in the last three years have been a flat monetary amount applied to all spinal column points. On average the increase has been as follows: 2022/23 was 8.70%, 2023/24 was 8.00% and 2024/25 is 4.97%.
- General inflationary costs up 2.6% and Electric & Gas 40% consumption at Q2 plus 5%
- Service charges income up 3%
- Earmarked Reserves totalling £67,400 has been allocated to help fund capital expenditure in relation to New Vehicles, Helford Road MUGA, the Play Area Strategy and Eden Lane Tennis Courts.
- Election Costs - A provision of £18,000 has been made in the 2025/26 budget to fund the Towns Council's costs for the elections to be held on 1st May 2025. It is suggested that in future years an earmarked fund be created to spread the cost of the elections and over a 4-year period. This would remove the spike in costs every election year.
- Events - Budgets within the Town Events cost centre have been amended so that they more accurately reflect the cost of the event. Budget provision has not been made for a number of events where it is anticipated they will not take place. The overall effect is an increase in the budget provision of £7,800.

Section 4 – Testing and recommendations

Month End and Budget Monitoring Procedures (continued)

Budgeting and Management Accounts (continued)

Budget Setting Process (continued)

It was also noted in the budget presentation that consideration and discussions were had around the following budget influences:

- *The Town Council has also invested reserves to protect local residents from Council Tax increases for the Town Council's element of the Council Tax precept during the period 2016/17 to 2023/24. With a 2% Council Tax reduction in 2017/18 followed by 0% 'freezes' in 2018/19 to 2021/22, a 6% increase in 2022/23, a 10.5% increase in 2023/4. At the end of that period local households were paying substantially less 'in real terms' for the Town Council than they were in 2016/17. This reduction in real terms cost of the council has been partially funded through the use of the Council's reserves.*
- *The combination of capital investment and revenue protection from Council Tax increases has resulted in the Town Council's reserves reducing from a peak of £1,286,918 in April 2018 to £484,272 at the end of March 2024. These reserves were held as a mix of earmarked and general reserves (general was £394,630 and earmarked was £89,642)*
- *Members are reminded that the Council's approved prudent level of general reserves is £428,000, which was calculated in 2018 as approximately 3 months of operating costs. As such the general reserve was approximately 8.5% (£33,370) lower than the minimum level set in the Use of Reserves Policy.*
- *In order to balance the budget income, expenditure and movement in reserves outlined about, the projected precept requirement for 2025/26 is £1,918,800 which is equivalent to a precept increase for individual households of 7.08%.*
- *A 7.02% precept increase would result in approximately 75% of households in Peterlee paying an additional £17.97 for the year for the Town Council's element of their Council Tax bill, equivalent to around £1.50 a month or 35p a week. More than half of these Band A households receive some level of council tax discount (usually 25% or 50% discount) due to their household circumstances, and so the actual increases will be lower than this for many households in Peterlee.*
- *Residents in the highest-rated Band E properties (approximately three in every hundred properties in Peterlee) would see an increase of £32.94 for the year, equivalent to around £2.75 a month or 63p a week.*

Section 4 – Testing and recommendations

Month End and Budget Monitoring Procedures (continued)

Budgeting and Management Accounts (continued)

Budget Setting Process (continued)

Members were then recommended to consider the proposed budget, which would require the Council to: -

- Set the 2025 / 26 precept at £1,918,800 which would equate to a Band D household Council Tax of £407.56 an increase of 7.08%, noting that 75% of households live in Band A properties which equates to a households' Council Tax of £271.71 an increase of £17.97 per year, or 35p per week.*
- Agree that the 2025 / 26 charges for general council services and activities be increased as set out in the report.*

From a review of the actual minutes of the Council meeting on 20 January 2025, section C133 / 24 states that:

COUNCIL BUDGET AND PRECEPT FOR 2025 / 26

Consideration was given to a report of the Town Clerk, which had been circulated with the agenda, providing members with an update to the outline budget considered at the Council meeting held on 16th December 2024.

Members noted the background to the budget which had formed the basis to the budget calculations, together with a number of amendments that had been proposed following discussion with Senior Managers.

Following detailed consideration Members agreed the budget proposals contained in the report.

RESOLVED:

- 1. That the precept for 2025/26 be set at £1,918,800 which equated to a Band D household Council Tax of £407.56 an increase of 7.08%, noting that 75% of households lived in Band A properties which equates to a households' Council Tax of £271.71 an increase of £17.97 per year, or 35p per week.*
- 2. That the 2025 / 26 charges for general council services and activities be increased as set out in the report.*

Section 4 – Testing and recommendations

VAT Returns

VAT Returns Process

Y

The VAT Return completion and submission to HMRC was discussed with the Finance Officer.

The finance system automatically collates all the relevant sales and purchase information into a VAT return, the FO then reconciles this back to the VAT control account and ensures the reclaim amount on the VAT return is equal to the total amount within the VAT control account for the period.

The process for VAT exempt items was also discussed with the FO, it was confirmed that there have been previous issues with the classification of zero-rated VAT items like food, this has since been amended. But it was confirmed that in certain instances there is uncertainty in how to classify items in the VAT return. Although this has no financial impact on the council, in order to remain transparent and for best practice it is important that all relevant information be properly recorded on the VAT return.

This VAT return is not authorised by any senior officers before it is sent to HMRC. It is also noted that the members do review batches of invoices monthly and are able to see both the original invoices and the list of transaction entered the financial package during the month, giving an opportunity for the VAT to be checked as it with this data which is entered the VAT return is created from.

Recommendation

It would be recommended that the Financial Officer could undergo training in regard to the classification of transactions which do not have VAT but must still be identified on the VAT return. This could be through the usual channels of courses, but it could also be by putting them into contact with other Finance Officers working in similar sectors in order to aid with queries that may arise during the natural processes through the period.

<u>Management Response and Agreed Action</u>	<u>Designated Responsible Officer</u>	<u>Target Date for Action Implementation</u>	
<i>The Finance Officer has reviewed VAT entries and corrected previous misclassifications.</i> <i>The finance officer has purchased books and believes this will be enough they don't see the need of training as the reference book is a good guide on VAT.</i>	<i>Town Clerk</i>	<i>Implemented</i>	YELLOW

Section 4 – Testing and recommendations

VAT Returns (continued)

VAT Returns Accuracy

G

The below testing was conducted on a sample of transactions to ensure they were entered into the VAT return.

Date of invoice	Details	Gross amount	Net amount	VAT	Matched to original invoice.	Entered Correctly On The VAT Return?
21.08.2024	Mobile Patrol	42.00	35.00	7.00	✓	✓
26.08.2024	Purchase of tools	834.24	695.20	139.04	✓	✓
12.09.2024	Seeding product	2629.08	2308.80	320.28	✓	✓
21.08.2024	Shed felt	58.63	48.86	9.77	✓	✓
14.10.2024	Hill Rigg House maintenance	324.00	270.00	54.00	✓	✓
17.10.2024	Mini Tanks UK	1440.00	1200.00	240.00	✓	✓
26.09.2024	Tool accessories	17.98	14.98	3.00	✓	✓
17.09.2024	Cleaning Services	221.95	184.96	36.99	✓	✓

From the above sample it is clear the process in which the entering of the invoice information to the VAT return occurs is effective and working successfully.

Section 4 – Testing and recommendations

Payroll



The Council currently use Durham County Council for their payroll service.

Payroll Review Procedures

The process undertaken to process, review, authorise and make payroll payments was discussed with the Resources Manager.

Staff don't claim any mileage and the only other claims are for overtime which are detailed on an exception sheet.

Any absences are recorded on the Bright HR system for records such as sickness or Time off in Lieu (TOIL).

The Admin Assistant checks the Bright HR system, and any entries are collated onto an excel spreadsheet – these detail all instances of absence in case there are trigger points reached where salaries could be affected.

New starter forms are completed and submitted to Durham County Council as and when required and include data such as:

- Name, address and contact information
- Occupation, grade, date commenced and place of employment
- Full or part time,
- salaried or hourly rate,
- weekly time sheet and salary code and cost centre
- previous local authority service dates and locations

The employee and employee supervisor then both sign and date the form before it is processed.

The notification of leaver form is also completed showing the following detail:

- Employee details such as full name, payroll number, date of leaving and job title
- The authorising officer then completes the designated officer details to confirm the information is accurate.

These are then uploaded to payroll for processing.

Section 4 – Testing and recommendations

Payroll (continued)

Timesheets are entered onto a Payroll Control Sheet which shows the following data:

- Employee name
- Payroll adjustment type (such as new starter, leaver, contract change, and any comments)
- Sickness absences / leave of absence recording (including employee number and name, absence start date, last day of absence, fit note attached and comments whether the absence relates to sickness or paid leave)

Weekly staff complete a timesheet which requires signing by both the employee and authorised by their line manager. These are then emailed to Durham County Council at the start of the following week and paid to the employee the following Thursday.

The Resources Manager confirmed that any exception sheets are required to be with the payroll team usually between the 5th and 8th of the following month to allow them to be processed.

Any information that effects the monthly payroll is uploaded to Durham County Council using their secure portal, Egress.

Around the middle of the month the Resources Manager receives the payroll reports for review and scrutiny.

A comparison of the previous months gross pay against the expected current month is undertaken to identify any variances. Should there be any issues then an email is sent to the payroll provider to make the necessary amendments which can relate to sickness or time off.

Should there be any issues requiring a correction, such as underpayments, then the payroll provider may be able to carry out supplementary payroll runs if not too late.

If there are no issues, or once any highlighted issues have been addressed, then Durham County Council run the full payroll which is sent across to the Resources Manager. This creates reports for both monthly paid staff and casual paid staff.

These reports are stored on a specific section of the ICT network with only selected staff having access to the sensitive information.

Additional reports are sent through to the Finance Officer to allow checking that the third-party payments come out the bank correctly.

Section 4 – Testing and recommendations

Payroll (continued)

G

Pension deductions

A sample of pension deductions from the Council payroll data was selected to ensure that the deductions have been calculated at the correct rates for the relevant gross salaries.

The information was taken from the December 2024 payroll reports.

Employee	Month	Gross Salary £	Pension scheme	Amount of ER's pension £	ER's rate used	Correct rate	Amount of EE's pension £	EE's Rate used	Correct rate
641840	December 2024	2,272.42	T & P CARE Pension	443.12	19.5%	✓	131.80	5.8%	✓
641808	December 2024	3,078.06	T & P CARE Pension	600.22	19.5%	✓	200.07	6.5%	✓
641129	December 2024	3,559.00	T & P CARE Pension	694.01	19.5%	✓	231.34	6.5%	✓
641122	December 2024	2,508.28	T & P CARE Pension	488.48	19.5%	✓	162.83	6.5%	✓
511158	December 2024	811.73	T & P CARE Pension	158.29	19.5%	✓	44.65	5.5%	✓
506330	December 2024	6,012.09	T & P CARE Pension	1,172.36	19.5%	✓	511.03	8.5%	✓
641781	December 2024	2,272.42	T & P CARE Pension	443.12	19.5%	✓	131.80	5.8%	✓

Of the sample selected all employer and employee pension deductions were calculated correctly based on the gross salaries.

Section 4 – Testing and recommendations

Payroll (continued)

Y

Amendments

The Resources Manager confirmed there have been minimal additional hours / overtime claims made, so a sample of the most recent forms from this payroll were reviewed to ensure that they were paid at the correct rate, that appropriately authorised documentation exists, and the amount paid agreed to the source documentation.

Employee	Month	Amendment	Timesheet Form Completed Accurately and Authorised	Amount Paid £	Correct rate	Agreed to Payroll Report
506670	December 2024	5 additional overtime hours worked above normal shift pattern @ 2.0	✓	136.88	✓	✓
507010	December 2024	20 additional hours worked above normal shift pattern at normal rate	✓	330.11	✓	✓
507010	December 2024	0.75 additional overtime hours worked above normal shift pattern @ 1.5	✓	18.12	✓	✓
641076	December 2024	17 additional overtime hours worked above normal shift pattern @ 1.5	X - see note 1	501.44	✓	✓

Note 1 – this timesheet only had dates and hours worked without showing the actual start and end times (as seen on the other timesheets).

Of the sample selected all amendments had been appropriately documented on the exception sheets before being signed by the employee and authorised by their line manager.

These sheets had also been retained on file.

Section 4 – Testing and recommendations

Payroll (continued)

Amendments (continued)

Recommendation

It is acknowledged that this may have been an oversight, but ALL timesheets should have start and end times entered so that the hours claimed can be verified as correct before timesheets are authorised.

Any incomplete documents should be returned to the employee.

<u>Management Response and Agreed Action</u>	<u>Designated Responsible Officer</u>	<u>Target Date for Action Implementation</u>	
<i>The issue with one timesheet missing start and end times was an isolated oversight.</i> <i>Payroll processing procedures have been reviewed and are operating effectively.</i>	<i>Town Clerk</i>	<i>Implemented</i>	YELLOW

Section 4 – Testing and recommendations

Payroll (continued)

Payroll Deduction Rates

G

A sample of third-party payroll deductions from the December 2024 salaries were selected to ensure that the various deductions have all been calculated at the correct rates based on individual tax codes and gross salaries.

Employee	Month	Tax code	Gross £	PAYE correctly calculated	EE NI correctly calculated	ER NI correctly calculated	Any Other deductions £	EE pension correctly calculated	ER pension correctly calculated
503162	December 2024	106L	1,731.68	328.40	54.69	134.37	N/a	N/a	N/a
505936	December 2024	1256L	1,244.65	25.60	15.73	67.16	N/a	68.46	242.71
506318	December 2024	1257L	2,132.00	192.00	86.72	189.61	N/a	123.66	415.74
506330	December 2024	1267L	6,012.09	1,149.27	287.74	725.07	N/a	511.03	1,172.36
506670	December 2024	1257L	2,337.63 – see note 1	227.40	103.17	217.99	N/a	151.95	455.84
507740	December 2024	1263L	1,351.17	44.80	24.25	81.86	N/a	74.31	263.48
641129	December 2024	1389M	3,559.00	433.80	200.88	386.54	22.50 – Unison	231.34	694.01
641132	December 2024	1287L	1,842.50	132.40	63.56	149.66	14.00 – Unison	106.87	359.29

Note 1 – included £136.88 overtime

No issues were identified from the sample reviewed above.

Section 4 – Testing and recommendations

Human Resources and Staffing

Y

Recruitment Procedures

The Peterlee Town Council Recruitment and Selection Policy approved in July 2023 details guidance and procedures to be complied with for recruitment of Council staff.

Introduction

This policy provides guidance to those involved in selecting staff, on what Peterlee Town Council considers to be good practice.

The Council has made clear its commitment to equal opportunities for all by the adoption of an Equal Opportunities Policy. All selection processes must take place within the framework laid down by this policy.

All those involved in selecting candidates for jobs should be aware that legislation increasingly regulates employment behaviour. Failure to follow certain basic steps can lead to an aggrieved candidate referring a matter to an employment tribunal.

Job Description

The job description and the person specification form the basis for the selection process.

Before deciding whether or how to fill a post the description of the duties associated with it will be reviewed by the Town Clerk to clarify the essential elements of the job and to ensure that the components remain relevant.

Person Specification

The person specification constitutes essentially a list of abilities, experience and qualifications which are essential and/or desirable to do the job. Candidates will be assessed against it. Once these criteria have been identified they must be maintained throughout the selection process. The list should be drawn up by referring to the summary of duties or job description the appointee will be required to undertake.

A person specification functions as a yardstick in the selection process and is essential to good recruitment practice. It is also important in the event of decisions being challenged by unsuccessful candidates.

Section 4 – Testing and recommendations

Human Resources and Staffing (continued)

Recruitment Procedures (continued)

Advertisements

Posts can be advertised both internally and externally. All advertisements will be approved by the Town Clerk and conform to an agreed Council style. The aim of advertising is to attract an appropriate number of candidates of suitable calibre and qualifications and to demonstrate that the Council is an equal opportunities employer. The advertisement should be consistent with the person specification and the job description/summary of duties, and all requirements stated should be justifiable and objective.

Applications

The Council uses application forms for recruitment in respect of all staff. All potential applicants should be directed to apply formally through the official named contact. This is essential to ensure coordination of the recruitment process, appropriate equal opportunities monitoring, and notification of unsuccessful candidates at the conclusion of the exercise. The form is designed to elicit essential information from candidates.

Shortlisting

As soon after the closing date as possible those involved in the shortlisting will meet to draw up a shortlist. The composition of the Shortlisting Panel will vary according to the type of post being filled. Shortlisting will be undertaken by more than one person, preferably 3, with a mix of male and female Panel Members.

The person specification and the further particulars must be used as the basis for shortlisting against the factual elements and criteria specified. At this stage particular care should be taken to avoid discrimination.

It is essential for monitoring purposes and for defence purposes in the event of a claim for unlawful discrimination that the Council keeps records of reasons for not shortlisting candidates.

Ideally, no more than six candidates should be identified for interview.

Particular care should be taken in fielding any queries from candidates not shortlisted, or unsuccessful following interview.

Section 4 – Testing and recommendations

Human Resources and Staffing (continued)

Recruitment Procedures (continued)

Interviews

The Interview Panel will comprise normally the Members of the Shortlisting Panel. The aim of the interview is to ascertain who is the most suitable candidate for the job and to ensure that the candidates have a clear picture of what the post entails.

Before the interviews begin the Panel will establish at the outset the aspects of the candidate's qualifications and experience to be explored by each Panel Member. To ensure equity, all candidates should be asked similar questions, with supplementary questions structured around each candidate to enable individuals to demonstrate their relevant skills and abilities.

At this stage the Council will check and photocopy one of the following documents to verify a candidate's identity:

- UK British passport or Full UK Birth Certificate and proof of NI Number.
- EU passport or ID Card.
- Non EU Passport and Visa.

Once a photocopy has been taken, original ID can be returned to the applicant.

Interviewers should be careful not to imply discrimination by asking questions about personal circumstances which are unrelated to the job. Such questions are contrary to the Council's Equal Opportunities Policy. Panel Members should be aware that asking the same question of all candidates does not necessarily ensure non-discrimination; the use to which answers are put may be discriminatory.

Note taking is highly recommended at interviews to ensure that relevant information is not forgotten when assessing all the candidates at the end of interviews.

When all candidates have been interviewed the Interview Panel should compare their formal decisions about each candidate taking care to ensure that comparison should be primarily against the defined criteria in the person specification rather than against the other candidate(s).

Once a decision has been made on whom to appoint, the reasons for not offering the post to the other candidates should be recorded. This information is for the Council's own monitoring purposes and is essential for reference in the case of a claim of unlawful discrimination. The reasons given should relate to the comparison against the person specification.

Section 4 – Testing and recommendations

Human Resources and Staffing (continued)

Recruitment Procedures (continued)

However, there was no evidence to confirm that any members of a shortlisting / recruitment interview panel had undertaken any form of recruitment training.

Guidance online for local councils regarding recruitment states:

“Recruitment training for local councils in the UK helps them find and retain the right employees which is a massive contributing factor for any successful council. This training can include advice on how to create effective job descriptions, how to interview candidates, how to identify positive or negative traits in an applicant, and to ensure compliance with recruitment best practise”.

Recommendation

It would be recommended that staff who may be involved in recruitment selection procedures such as shortlisting or interviews, undertake some form of recruitment and selection training to ensure compliance with recruitment best practise methods.

<u>Management Response and Agreed Action</u>	<u>Designated Responsible Officer</u>	<u>Target Date for Action Implementation</u>	
<i>Recruitment and induction processes have been reviewed.</i>	<i>Town Clerk</i>	<i>Implemented</i>	YELLOW

Section 4 – Testing and recommendations

Human Resources and Staffing (continued)

R

Personnel Files

There had been minimal new employees to the Council in the last 12 months, which was confirmed by the Resources Manager, so all these staff personnel files were reviewed to ensure sufficient and appropriate documentation was retained in line with both legislation and best practice.

Employee	Post Appointed	Start Date	Interview Notes retained on file	Application Form	Qualifications + training	ID and RTW	Medical Info	At least 2 References on file	Signed Contract of Employment / Offer Letter on file
Employee 1	Assistant Neighbourhood Services Operative	01.09.2024	Yes – see note 1	Yes	Yes – see note 2	No – see note 3	Yes – see note 4	Yes – see note 5	Yes
Employee 2	Assistant Neighbourhood Services Operative	18.09.2024	Yes – see note 1	Yes	Yes – see note 2	No – see note 3	Yes – see note 4	Yes - see note 5	Yes
Employee 3	Assistant Neighbourhood Services Operative	01.09.2024	Yes – see note 1	Yes	Yes – see note 2	No – see note 3	Yes – see note 4	Yes – see note 5	Yes

Section 4 – Testing and recommendations

Human Resources and Staffing (continued)

Personnel Files (continued)

- Note 1 – the interview questions and notes made by all individual selection panel members were all retained on file for reference.
- Note 2 – the files both had either a completed application form showing qualifications and retained copies of qualification certificates such as Manual Handling Training, COSHH training, Ladder Safety Training, and Fire Awareness Training.
- Note 3 – there were copies of ID on file for each new starter, but this was a driving licence. There were also completed HMRC Starter Checklists but there was no other suitable evidence to confirm Right to Work in the UK checks had been carried out as required by Home Office legislation, leaving the Council susceptible to possible financial penalties / fines.
- Note 4 – there was copies of a completed Pre-Employment Assessment certificate retained on each of the files.
- Note 5 – these files each had evidence of 2 references being sought retained on file

From review of the above files, most of the required information had been retained in line with best practice and legislation other than the recommendation below. It is acknowledged that the current Resources Manager was not involved in the recruitment reviewed, that person has now left the Council.

Recommendations

The Home Office guidance and legislation on Right To Work in the UK should be referred to as soon as possible and appropriate evidence obtained to ensure the new employees meet the requirements and the Council do not receive any financial penalties or fines. More information can be found at:

<https://assets.publishing.service.gov.uk/media/6614ec88c4c84d98cc3469f6/RTW+Checklist+ 1 1 .pdf>

This guidance is also stated as required on page 7 of the Peterlee Town Council Recruitment Policy.

<u>Management Response and Agreed Action</u>	<u>Designated Responsible Officer</u>	<u>Target Date for Action Implementation</u>	
<i>HR files have been checked for compliance with the Recruitment & Selection policy.</i> <i>Line Managers now utilise a recruitment checklist for each appointment to ensure consistency.</i>	<i>Town Clerk</i>	<i>Implemented</i>	RED

Section 4 – Testing and recommendations

Human Resources and Staffing (continued)

Personnel Files (continued)

There is a “New Starter Checklist” on file for each new employee detailing the following:

- Name of employee
- Document, date, completed by and managers signature for each of the following:
 - Starter form – to be completed by manager with new starter
 - Induction Checklist – to be completed by manager with new starter
 - Manual Handling and Food Safety Level 2 Training to be completed by new starter
 - New starter health questionnaire – job information to be completed by manager, rest of the form to be completed by new starter and sent in envelope with the job description
 - Opt Out of the pension form to be completed by the new starter with the manager
 - ID of new starter to be photocopied by manager
 - Timesheet to be produced by the admin team with all cost codes and employee number
 - Training certificates to be printed by the manager and given to admin team to log on training records
 - Admin team to compile all new staff employee files
 - S of P's to be signed and given to new starter on day 1
 - Emergency contact details to be completed
 - Issued with paper copy of staff handbook
 - MyView user leaflet provided
 - PPE issue form

The personnel files also contain an “Employee Emergency Contact Form” showing:

- Name of employee
- Home address and contact number
- Emergency contact name, contact number and relationship to employee

Both the above forms had been completed for each of Karl Arkwright, Mark Watson and Michael McEnaney as reviewed for new employees.

Section 4 – Testing and recommendations

Human Resources and Staffing (continued)

G

Interview Notes of Successful and Unsuccessful Candidates

A review of both unsuccessful and successful candidates' files to ensure that interview notes and scoring processes were retained in the event of challenge was discussed with the Resources Manager.

It was confirmed that all notes are retained for the period of 6 months following the date of interview for the unsuccessful candidates and the notes are retained on the personnel files for the appointed candidates.

From the sample of files reviewed it appears that the Council is retaining the interview notes for the required timescales.

No issues were identified.

Section 4 – Testing and recommendations

Human Resources and Staffing (continued)

New Starters Induction Process

G

The induction procedure for new members of staff was discussed with the Resources Manager. There is a formal Peterlee Town Council New Starter Induction Checklist for all new staff induction procedures in place which initially includes the following detail:

- Name of new member of staff
- Position
- Start date
- Name of Line Manager / Supervisor completing this checklist
- Post Title of Line Manager

On completion of the checklist the date and signature of both the employee and their line manager is required.

The induction checklist then requires a tick as confirmation of the area being covered with each new employee:

- **Prior To Starting**
 - Pre employment medical questionnaire completed and sent to Wellwork for clearance
 - References back
 - PPE sizes ordered
 - Manager to contact new starter to discuss start date and arrangements for day 1
 - New starter form completed, including pension scheme application form.
- **Day 1**
 - General introduction to work colleagues
 - General layout of premises (access, fire exits, assembly points and prohibited areas)
 - Car parking arrangements
 - Facilities for breaks, staff rooms, staff kitchens etc including toilets
 - Personal security including lone working arrangements
 - Who to notify of changes in personal circumstances such as name, address or bank details
 - Supervision
 - Security of personal belongings
 - Set up internet and email access
 - New entrants' own job (plan a balanced introduction to the work, a mixture of explanation and observation)

Section 4 – Testing and recommendations

Human Resources and Staffing (continued)

New Starters Induction Process (continued)

Week 1

- **Welcome To Peterlee Town Council**
 - Awareness of Council / Councillors structure and services
 - Discuss roles within your team
 - Discuss role of your department
- **Job In More Details**
 - Information on hours of work, including rota's, shift systems, "on-call" breaks
 - Time recording, completing timesheets / salary payments, and email address for MyView
 - Discuss role of employee – job description, and work allocation arrangements
 - Probationary periods of employment
 - Company pension scheme and eligibility
 - Reporting in when sick even on annual leave
 - Arrangements for requestion leave: annual leave, unpaid leave, compassionate leave, and maternity or paternity leave arrangements.
 - Issue of uniforms, and uniform policy, protective clothing, replacement, laundry arrangements and dress code
 - Communications / information sources – team meetings, staff notice boards, emails
 - Office systems and protocols e.g. telephone and email etiquette, location of equipment
 - Arrange a mentor / buddy
- **Health & Safety, Security and Fire (mandatory training relates to health and safety and other essential or legally required areas – should all be completed early in the induction process)**
 - Health & safety information relevant to the department
 - Issuing of fire instructions and procedure
 - Location of firefighting equipment
 - Provide information about the Occupational Health Service
 - Accident / incident reporting procedure
 - Security of department / buildings
 - Arrangements for keys, security fobs etc and management of monies / valuables
 - Violence and aggressive behaviour

Section 4 – Testing and recommendations

Human Resources and Staffing (continued)

New Starters Induction Process (continued)

Week 1 (continued)

- **Conduct**
 - Personal presentation
 - Disciplinary procedures
 - Courtesy to the customer, public and working colleagues
 - Confidentiality
 - Acceptance of gifts
 - No Smoking Policy
 - Private use of mobile phones / telephones (policy)
- **Education, Training and Promotion**
 - Training – how support, advice and training will be given and by whom
 - Employee appraisal process, and review systems

First 6 Weeks

- **The Organisation**
 - Details of the Council website
 - Awareness of the Committee structures
 - Induction appraisal to be carried out after 1 months employment

Section 4 – Testing and recommendations

Human Resources and Staffing (continued)

New Starters Induction Process (continued)

First 6 Weeks (continued)

- **Key Council Policies – employees should be informed of the following policies and where they can be obtained from:**
 - Annual Leave Policy
 - Appeals Procedure Policy
 - Attendance Management Policy
 - Bullying and Harassment Policy
 - Child Protection and Safeguarding Policy
 - Code of Conduct Policy
 - Dignity at Work Policy
 - Disciplinary Policy
 - Drugs, Alcohol and Substance Misuse Policy
 - Equality and Diversity Policy
 - Flexible Working Policy
 - Personal presentation
 - Disciplinary procedures
 - Courtesy to the customer, public and working colleagues
 - Confidentiality
 - Acceptance of gifts
 - No Smoking Policy
 - Private use of mobile phones / telephones (policy)
 - Grievance Procedure Policy
 - Health and Safety Policy
 - Maternity / Paternity Policy
 - Mental Health and Wellbeing Policy
 - No Smoking Policy
 - Performance Appraisal Policy
 - Privacy Notice

Section 4 – Testing and recommendations

Human Resources and Staffing (continued)

New Starters Induction Process (continued)

First 6 Weeks (continued)

- **Key Council Policies – employees should be informed of the following policies and where they can be obtained from (continued):**
 - Probationary Period Policy
 - Recruitment Policy
 - Redundancy Policy
 - Special Leave Policy
 - TOIL Policy
 - Whistleblowing Policy
 - Working From Home Policy

Each of the policies is ticked on confirmation.

- **Induction Evaluation**
 - Check inductees' knowledge and understanding – entails confirmation of their understanding and feedback about the quality and response to the induction. This should be carried out by the Department Manager or the Manager of the person who carried out the induction.

The employee then signs and dates to confirm they have been informed about and understood the above items.

The inductor also signs and dates to confirm the above induction programme had been completed with the employee

This had been completed for Employee 1 signed on 24.010.2024 and the line manger on 29.01.2024

This had been completed for Employee 2 signed on 18.09.2023 and the line manager on 18.09.2023

This had been completed for Employee 3 signed on 03.09.2024 and the line manager on 03.09.2024

Section 4 – Testing and recommendations

Human Resources and Staffing (continued)

New Starters Induction Process (continued)

There is also on file a confirmation that the new member of staff has received and understand the following policies:

- General Data Protection Regulations (GDPR) and Data Protection (DPA) Privacy Notice
- No Smoking Policy
- Mobile Device Policy
- Code of Conduct
- Attendance Management Policy

The new employee personnel files reviewed had a confirmation for each of them.

1. Signed by KA 03.09.2024,
2. Signed by MW 12.09.2023,
3. Signed by MM on 03.09.2024

Section 4 – Testing and recommendations

Asset and Investment Register

Y

Asset and Investment Register

The Peterlee Town Council Financial Regulations 2023, section 16 includes the following guidance on recording of assets:

“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”

In addition to the above guidance, part of the “Annual Governance and Accountability Return 2024 / 25 Form 3” states that, as part of the Annual Internal Audit Report, one objective includes providing assurance that *“Asset and investments registers were complete and accurate and properly maintained”*.

The Council asset and investment register details the following information in categories of:

- Land and Buildings
- Non-operational Land And Buildings
- Vehicles and Equipment
- Play Equipment
- Burdon Suite
- Brandling Suite
- Outside offices
- Community assets

For each of the above categories the information includes:

- cost as of 01.04.2023,
- additions during year
- disposals during the year
- transfers during the year
- cost at end of 31.03.2024

Section 4 – Testing and recommendations

Asset and Investment Register (continued)

Asset and Investment Register (continued)

It was confirmed that the asset register is updated annually with any additions. There had been no additions noted for the current 2024-25 financial year and from review there had only been a single addition in the 2023-24 financial year, which was to the Vehicles and Equipment category – a Ferris Pedestrian Mower costing £7,500.

There were no other additions or disposals highlighted.

However, the following issues were found on review of the asset register:

- The Peterlee Town Council Financial Regulations 2023 does not state a minimum financial value of assets that are not to be considered as general consumables and should be included on the asset register, so there could be potential inconsistencies in purchase values recorded.
- There is no additional information recorded such as the date items are purchased or their expected useful life period.

Guidance stated in the Joint Panel on Accountability and Governance Practitioners Guide March 2024, section 5.58 onwards, states that:

“The asset register should contain in its most simple form:

- *the date of acquisition,*
- *cost of acquisition,*
- *useful life estimates and location along with value held for investments; however, it is desirable for the register to contain other such supplementary information to enable the user to better understand the nature and scope of the use of the fixed asset.*
- *It is therefore recommended to show insurance value, replacement value, custodian, date last physically vouched.*

Each authority may choose an appropriate minimum value for deciding between fixed assets and general consumables. The limit chosen will relate to expected useful life, whether the item would be included on an insurance claim and whether it is included in the risk assessment of the authority in any way. This minimum level is to be minuted and reviewed at least annually.

Assets should be first recorded in the asset register at their actual purchase cost.

Section 4 – Testing and recommendations

Asset and Investment Register (continued)

Asset and Investment Register (continued)

Recommendation

It would be beneficial if the Council agreed a minimum value of assets that are required to be entered onto the fixed asset register so entries will be consistent and not open to interpretation.

The Asset register should also be updated to include details such as the date of purchase and the duration of usefulness for each asset in line with the JPAG guidance.

<u>Management Response and Agreed Action</u>	<u>Designated Responsible Officer</u>	<u>Target Date for Action Implementation</u>	
<i>This is something that is not normal practice within the sector however it's been noted and with the insurance company it will be looked at and updated if necessary.</i>	<i>Town Clerk</i>	<i>As and when required.</i>	YELLOW

Section 4 – Testing and recommendations

Risk Management

Risk Management and Risk Registers

G

The approach to Risk Management and the process involved in the review and monitoring of the Council risk register was discussed with the Town Clerk and the Locum Democratic Services Manager.

Risk Management Policy

There is a Council Risk Management Policy which was last reviewed in July 2024. This document forms the Council's approach to managing risks, including stating that:

Peterlee Town Council recognises that Risk Management is an essential part of effective corporate governance. The Council has a statutory duty to have in place arrangements for managing risk as per the Accounts & Audit Regulations 2015:

A relevant authority must ensure that it has a sound system of internal control which:-

- a) facilitates the effective exercise of its functions and the achievement of its aims and objectives;*
- b) ensures that the financial and operational management of the authority is effective; and*
- c) includes effective arrangements for the management of risk.*

Peterlee Town Council has acknowledged through its Standing Orders, Financial Regulations and other core policies that it has a responsibility to manage its risks effectively in order to protect its employees, assets, liabilities and community against potential losses and to minimise any impact of unforeseen problems that could occur.

The Council is aware that not all risks can be eliminated fully, however it will put in place a planned and focussed approach to managing risk.

The Council expects all Members and employees at all levels to make best efforts to understand the nature of any risks present in decisions and activities that they are involved in and accept responsibility for risks that exist within their area of authority, as follows:

Councillors - To set the overall policy approach to risk and oversee effective management of risk by council staff;

Senior Officers - To ensure that the Council manage risk effectively through the development and delivery of the risk management process; and

Employees - To manage risk effectively within their roles.

Section 4 – Testing and recommendations

Risk Management (continued)

Risk Management and Risk Registers (continued)

Risk Management Policy (continued)

The Objectives of the policy include:

The Town Council will:

- i. Ensure that Risk Management forms an integral part of the Council's procedures.*
- ii. Manage any risk in accordance with best practice.*
- iii. Anticipate and respond to changing social, environmental and legislative requirements.*
- iv. Identify risks and the impact of those risks when adopting policies and making operational decisions; and*
- v. Positively and actively promote an awareness of risk management across all council services and activities.*

The Implementation of the policy states:

The Town Council will:

- i. Establish clear roles, responsibilities and reporting lines within the Council's committee and staffing structures.*
- ii. Inform relevant Committees of the Council of potential risks identified by including risk assessments as a standard part of committee reporting.*
- iii. Maintain a Corporate Risk Register and review this formally at least once a year.*
- iv. Provide training of staff in risk management procedures and ensure that they have the knowledge and ability to identify and raise concerns where working practices or issues have led to increased risk or they have concerns that risks and or actions to mitigate need to be improved;*
- v. Carry out risk assessments in all relevant areas of the council's activities.*
- vi. Continue to monitor procedures and assessments periodically.*
- vii. Prepare contingency plans for potential risks which could have a significant effect on the Council and or the community.*
- viii. Include risk management as a subject for review in the annual Internal Audit programme.*

Section 4 – Testing and recommendations

Risk Management (continued)

Risk Management and Risk Registers (continued)

Risk Management Policy (continued)

The Policy also details the risk assessment process:

Risk assessments will be carried out for all significant projects, functions and services. Risks will be determined according to the impact of the risk on the project, function or service and the likelihood of it occurring.

From the risk assessments an Action Plan will be produced if required. Where relevant, the Risk Assessment and Action Plan will be reported to the responsible Committee, along with any mitigation proposals and financial consequences that may require funds to achieve.

Risk assessments will be monitored and reviewed at appropriate points, either during the progress of a particular project, or in the case of functions and services provided by the Town Council, whenever there is any significant operational or legislative change impacting on that function or service.

Every report requiring action submitted to Council committees for decision will contain a paragraph entitled Risk Assessment, wherein the risk of any proposal will be assessed and mitigation proposals suggested where appropriate.

Level of Risk Impact will be viewed in terms of the consequences of the identified risk on the Service, (i.e. the extent to which it may cause failure or unavailability).

Impact will be classified using the following criteria:

- *Extreme (5) e.g. total failure of process*
- *Very High (4) e.g. serious disruption to the process*
- *Medium (3) e.g. disruption to the process*
- *Low (2) e.g. some minor impact to the process*
- *Negligible (1) e.g. annoyance but does not disrupt the process.*

Section 4 – Testing and recommendations

Risk Management (continued)

Risk Management and Risk Registers (continued)

Risk Management Policy (continued)

An assessment of the likelihood of the identified risk occurring within a relevant timeframe will be carried out using the following classification:

- *Almost Certain (5)*
- *Likely (4)*
- *Moderate (3)*
- *Unlikely (2)*
- *Rare (1)*

Based on the above, each level of impact will be multiplied against each level of likelihood, providing a 'RAG risk rating' score and enabling the council to set out a general 'risk matrix' as follows:

- *Green Category - which are low priority risks which do not require specific management attention but may be monitored as appropriate - these are any score between 1 – 4*
- *Yellow Category – which are medium risks that require managing and monitoring – these are scores between 5 - 10, and*
- *Red category – which are high risks that require an immediate response, active monitoring and suitable managing – these are scores between 11 and 25*

Using the results of the risk ratings which categorised risks into three levels, this then enables attention to be focused on the highest priority area.

Section 4 – Testing and recommendations

Risk Management (continued)

Risk Management and Risk Registers (continued)

Risk Register

The Town Clerk and Locum Democratic Services Manager provided a copy of the Council Risk Register for perusal (the most recent version had last been reviewed in January 2024) to review compliance with the Risk Management Policy guidance above.

The risk register is in excel format and has 3 separate tabs

- Risk Register – see further details below
- Summary – this tabular sheet shows:
 - the individual risk name.
 - the current impact and likelihood scores,
 - the target likelihood and impact scores and
 - how far the Council are from the target score required
- Matrix – this sheet shows both:
 - the current strategic overview of each of the 11 risks and has placed the risks in one of the 3 coloured categories given their current score, and
 - it also shows each of the risks and has categorised them into one of the 3 colours when the target strategic overview scores are achieved.

The risk register has included 11 separate risks titles on the risk register tab:

- Corporate Strategy & Medium Term Financial Plan
- Successful Events
- Sports funding
- Asset Management
- Workforce
- Partnership Working
- Sports and Play
- Financial Management
- Legal Challenge
- Commerciality
- Health and Safety

Section 4 – Testing and recommendations

Risk Management (continued)

Risk Management and Risk Registers (continued)

Risk Register (continued)

For each of the identified risks above there is the following detail:

- Reference of risk
- Risk title (headline)
- Cause of Risk
- Consequence of Risk
- Current Working Controls
- Current Likelihood score (between 1 and 5)
- Current Impact score (between 1 and 5)
- Current Risk rating (the score when likelihood is multiplied by impact score) and RAG rating
- Further action required
- Target Completion Date
- Target Likelihood score (between 1 and 5)
- Target Impact score (between 1 and 5)
- Target Risk rating (the score when likelihood is multiplied by impact score) and RAG rating
- Risk Lead (initials of designated person)

Section 4 – Testing and recommendations

Risk Management (continued)

Risk Management and Risk Registers (continued)

After review of the risk register, it appears that although suitable weighting has been given to the individual risk areas, the actual risks identified may not be either current or appropriate. This may be explained by the fact that on the register all risks were last reviewed in January 2024 and includes staff who are no longer employed at the Council (such as the previous Democratic Services Manager and the previous Town Clerk)

Recommendation

The Council Risk Register should be updated to ensure risks are still current and relevant and could either be removed or new risks added.

A more frequent review of the register should then be undertaken as per the Risk Management Policy.

<u>Management Response and Agreed Action</u>	<u>Designated Responsible Officer</u>	<u>Target Date for Action Implementation</u>	
<p><i>The risk register is up to date and was taken to council along with the policy and was agreed on 17th March 2025. Its normally taken every year between January and February, due to staffing issues it was 4 weeks late.</i></p> <p><i>The council is looking into using their insurance company to carry out the works involved with risk. The quotes have been obtained and will be taken to council to be agreed.</i></p>	<p><i>Town Clerk</i></p>	<p><i>Implemented</i></p>	<p>AMBER</p>

Section 4 – Testing and recommendations

Website Publishing and Compliance

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Website testing

The Council's website was reviewed and tested for its compliance to the LGTC Transparency Code 2015, within this there is a list of required material of which must be displayed on a council's website and how often it must be updated.

It was discussed with the Locum Democratic Services Manager that the website at current is not functioning properly, the council is currently in talks with a different firm of web designers in regard to having a new website design.

Following the conversation with the Locum Democratic Services Manager it was identified that their knowledge of the LGTC transparency code, and its requirements, was satisfactory but due to the website currently not functioning properly there was no way to confirm nor deny this. Therefore, at the next visit this will be revisited, and the progress of the new website and its contents will be reviewed.

Recommendation

It would be recommended that the progress of this new website be closely monitored and tracked to ensure progress is as quick as possible to ensure compliance with the LGTC Transparency Code 2015

<u>Management Response and Agreed Action</u>	<u>Designated Responsible Officer</u>	<u>Target Date for Action Implementation</u>	
<i>The website provider has been contacted to ensure compliance with legal publication requirements.</i>	<i>Town Clerk</i>	<i>Implemented</i>	RED
<i>An accessibility and transparency checklist is now actively maintained.</i>			
<i>Officers will carry out a quarterly review of website content.</i>			

Section 5 – Conclusion

Conclusion

Overall, the Council operates a reasonable system of control over the various areas reviewed above but there are several areas that require major improvement.

All tests were completed in accordance with the schedule of work and have been satisfactorily concluded subject to the recommendations raised.

It is acknowledged that a high turnover of senior staff, a staffing restructure, and the subsequent recruitment processes have contributed to the issues identified.

The significant recommendations from this visit which need urgent attention relates to the publication of updated information on the Council website and retaining the correct Right To Work in the UK evidence on recruitment.

Clive Owen LLP

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CLIVE OWEN LLP

21 March 2025

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DATE

Report to: Peterlee Town Council

Date of Meeting: 7th April 2025

Subject: **Review of Committee Structure**

Report of: Chief Officer/Town Clerk

Report Purpose: To review the Council's Committee Structure.

Background: The Governance Committee met on 25th March to review the Council's current Scheme of Delegation to Officers. A review of the committee structure is required to evaluate changes made to the decision making introduced by Council on to suspend meetings of the Resources Committee and the Community and Environment Committee and instead hold meetings of Council twice a month.

Detail: Following detailed consideration the Governance Committee made the following recommendations:

1. That Council continue to meet on the first and third Monday of each month, with the exception of the August recess; except when a Bank Holiday falls on a Monday on the first or third week, in which case Council will be held on the following Tuesday.
2. That the Resources Committee, Community & Environment Committee, Scrutiny & Performance Committee and Finance Sub-Committee be disbanded.
3. That the Human Resources Sub-Committee become Human Resources Committee reporting direct to Council.
4. That the Health & Safety Sub Committee become Health & Safety Committee and report direct to Council.
5. That the Governance Committee incorporate responsibility for performance review and be renamed Governance & Performance Review Committee.
6. That the Events Working Party become Events Committee.
7. That committees shall have 5 members, with the exception of the Events Committee which shall have 15 members and the Governance Committee which shall have 6 members.
8. That members should be appointed to committees at the annual meeting on the basis of political proportionality.

An updated Committee structure is attached at Appendix 2. Amended Terms of Reference are attached at Appendix 3 for consideration.

Recommended: That the recommendations of the Governance Committee be considered.

Appendix 1: Implications

Finance No direct implications.

Staffing No direct implications

Risk A risk assessment will need to be completed for the use of the equipment if purchased.

Equality and Diversity, Cohesion and Integration No direct implications

Crime and Disorder No direct implications

Consultation & Communication No wider consultation required

Procurement No direct implications.

Legal No direct implications.

<p style="text-align: center;">Council All Members Meet 1st and 3rd Monday of each month, except for August recess</p>

Human Resources Committee	Health & Safety Committee	Events Committee	Governance & Performance Committee	Disciplinary & Grievance Panel	Appeals Panel	Town Clerk's Appraisal Panel
5 Members Meet as and when required	5 Members Meet as and when required	15 Members Meet monthly or as and when required	6 Members Meet monthly or as and when required	5 Members Meet as and when required	5 Members Meet as and when required	5 Members Meet as and when required
<ol style="list-style-type: none"> 1. To make recommendations to Council with regard to Human Resources policies and practices for the Town Council; 2. To act as an Appeals Panel in relation to staffing issues if required under a council policy; 3. To appoint the Town Clerk's appraisal committee 	<ol style="list-style-type: none"> 1. To make recommendations to Council with regard to Health & Safety issues, policies and practices for the Town Council; 2. To receive reports from council officers on accident and incident monitoring. 	<ol style="list-style-type: none"> 1. To make recommendations to Council about the planning and delivery of social, civic and democratic events by the Town Council; 2. Oversight of the Town's major events. 	<ol style="list-style-type: none"> 1. To reviewing and make recommendations to the Council in respect of new and existing policies, including Standing Orders and Financial Regulations. 2. Overview of key targets and major projects 	<ol style="list-style-type: none"> 1. Hear and determine appeals against dismissal and appeals against all disciplinary action taken by the Town Clerk. 2. Hear representations by trade unions and managers in respect of disputes not capable of resolution by other means and discuss and reach decisions thereon. 3. Consider and reach decisions on grievances by employees, groups of employees or trade unions in terms of the procedures for staff 	<ol style="list-style-type: none"> 1. To hear and determine all matters of appeal in connection with the comments and complaints policy. 2. To hear and determine all matters of appeal in connection with Freedom of Information requests 	To carry out the Town Clerks annual appraisal in line with the Councils Appraisal Policy

Delegations to Committees and Working Parties

Committee Name:	Peterlee Town Council
Reports to:	n/a
Membership:	All 22 elected members of the Council (quorum = 8)
Chair & Vice Chair:	
Responsibilities:	<p>All business of the Council, including all statutory powers and duties of the Council. Specifically including:</p> <ul style="list-style-type: none"> - Setting the final annual budget and the precept - Approving the annual return and accounting statements - Approving the annual governance statement - borrowing - declaring eligibility for the power of well-being - approve any grant, contract or single financial commitment of £30,000 or more
Delegated authority:	n/a as the Council has authority for all council decisions
Budgets:	All budgets
Meeting Frequency:	<p>Annual Meeting in May</p> <p>Council to be held on first and third Monday of each month, with the exception of the August recess; except when a Bank Holiday falls on a Monday on the first or third week, in which case Council will be held on the following Tuesday</p>
Public and Press access to meeting:	<p>Yes, with the exception of exempt items.</p> <p>Public questions standing item at all regular meetings, i.e 10 minute open session at the start of the meeting</p>
Council Officers advising the Committee:	Town Clerk and all senior Managers of the Council

Committee Name:	Resources Committee COMMITTEE TO BE DISBANDED ALL RESPONSIBILITIES TO BE DEALT WITH BY COUNCIL
Reports to:	Council
Membership:	All 22 elected members of the Council (quorum = 8)
Chair & Vice Chair:	
Responsibilities:	<p>Responsible for the overall control and management of the Council's money, people, building and land resources including:</p> <p>Finance</p> <ol style="list-style-type: none"> 1. Oversight of capital and revenue expenditure, budget process and financial performance (excluding agreement of final annual budget, accounts and governance statement); 2. Payment of accounts; 3. Arrangements for the collections of revenues and accounts due to the Council and to recommend necessary directions for their recovery; 4. Receipt of quarterly budget reports; 5. Consideration of applications for financial assistance and grants from outside bodies; 6. Receiving reports and recommendations from both the Council's internal and external Auditors and monitoring the implementation of approved action plans; <p>Corporate</p>

	<p>8. Response to consultation documents where other Committees do not take the lead;</p> <p>9. Advising the Council in the formulation of the Council Plan;</p> <p>10. Oversight of the development and delivery of the Council's performance management framework;</p> <p>11. Oversight of insurance in respect of the Council's property, Members and employees;</p> <p>12. Oversight of strategic and operational issues for the acquisition and development of Information Technology for the Council;</p> <p>13. Oversight of the Council's Risk Management Strategy;</p> <p>14. Reviewing standing orders and financial regulations as required and at least every 3 years;</p> <p>15. To authorise Members attendance at conferences, courses and meetings;</p> <p>16. To make appointments to outside bodies between Annual Meetings of the Council</p> <p>Asset Management</p> <p>17. To recommend on the acquisition and renewal of council vehicles, plant and machinery and the discharge of all statutory duties relating to their maintenance and condition;</p> <p>18. To determine overall strategic asset management priorities on a medium term basis by maintaining the asset plan.</p>
Specific delegated authority:	<ul style="list-style-type: none"> - approval of expenditure of less than £30,000 provided that this is met from within approved budgets - virement between budgets of more than 15% of budget value (virement of 15% or less is delegated to the RFO) - reviewing and approving Council policies with the exception of standing orders, financial regulations and code of conduct
Delegated Budgets:	<p>Civic & Central Costs</p> <p>Democratic Costs</p> <p>Corporate Management</p> <p>Town Activities (including s137)</p> <p>Capital Projects</p>
Meeting Frequency:	1 st Monday in every month except May and August.
Public and Press access to meeting:	Yes.
Council Officers advising the Committee:	Town Clerk and all senior Managers of the Council

Committee Name:	<p>Community & Environment Committee</p> <p>COMMITTEE TO BE DISBANDED ALL RESPONSIBILITIES TO BE DEALT WITH BY COUNCIL</p>
Reports to:	Council
Membership:	All 22 elected members of the Council (quorum = 8)
Chair & Vice Chair:	
Responsibilities:	<p>Responsible for the overall control and management of the Council's community and environment services including parks, play areas, recreation, sports and well-being, and community engagement activities, including:</p> <p>Public space, Parks & Play Areas:</p>

	<ol style="list-style-type: none"> 1. Oversight of the use, care, management, regulation and control of all parks, play areas, sports and recreation grounds, open spaces, and amenity areas of the Council; 2. Exercising the powers and duties of the Council as burial authority including the provision, care and management of Peterlee cemetery; 3. Exercising the powers and duties of the Council for the provision of allotments (Leisure Gardens) across the council's two leisure gardens sites; <p>Sports and Wellbeing:</p> <ol style="list-style-type: none"> 4. Oversight for the provision of sports and wellbeing development by the Council, including support for sports clubs, societies, and classes; 5. Promotion of physical and mental wellbeing improvement through the council's internal and external policies, services and resources; 6. Oversight of the council's provision of events, conferences, weddings and other social occasions from the council's land or premises <p>Council & Democracy:</p> <ol style="list-style-type: none"> 7. Oversight of civic and ceremonial functions of the Town Council including public relations and marketing; 8. Oversight of all electoral matters affecting the council; 9. Promotion of public engagement in the council's services and functions.
Specific delegated authority:	<p>For those services and budgets that fall within the auspices of the responsibilities of the committee:</p> <ul style="list-style-type: none"> - approval of expenditure of less than £30,000 provided that this is met from within approved budgets - virement between budgets of more than 15% of budget value (virement of 15% or less is delegated to the RFO) - reviewing and approving Council policies
Delegated Budgets:	<p>Shotton Hall Banqueting Suite, Bar & Catering The Pavilion Lowhills Road Community Facility Lowhills Road & Eden Lane Bowling Clubs Eden Lane Depot Woodhouse Park Sports Development Parks General Cemetery & Burials Allotments Town Events</p>
Meeting Frequency:	2 nd Monday of every month except May and August.
Public and Press access to meeting:	Yes.
Council Officers advising the Committee:	<p>Town Clerk /Deputy Town Clerk Sport & Wellbeing Manager Parks Manager</p>

Committee Name:	Human Resources Committee
Reports to:	Council
Membership:	5 Members of the Council (quorum = 3) Due to the confidential nature of much of the business of this committee membership will not be available to non-councillors.
Chair & Vice Chair:	
Responsibilities:	<ol style="list-style-type: none"> 1. To make recommendations to Council with regard to Human Resources policies and practices for the Town Council; 2. To act as an Appeals Panel in relation to staffing issues if required under a council policy; 3. To appoint the Town Clerk's appraisal committee
Specific delegated authority:	<ul style="list-style-type: none"> - appointment of Appeals Panel - appointment of Town Clerk's appraisal committee
Delegated Budgets:	none
Meeting Frequency:	Quarterly or as required.
Public and Press access to meeting:	Yes, with the exception of exempt items.
Council Officers advising the Committee:	Town Clerk/ Senior Managers

Committee Name:	Health & Safety Committee
Reports to:	Council
Membership:	5 Members of the Council (quorum = 3) The Committee may appoint non-councillors as standing or co-opted members as required.
Chair & Vice Chair:	
Responsibilities:	<ol style="list-style-type: none"> 1. To make recommendations to Council with regard to Health & Safety issues, policies and practices for the Town Council; 2. To receive reports from council officers on accident and incident monitoring.
Specific delegated authority:	n/a
Delegated Budgets:	none
Meeting Frequency:	Quarterly or as required.
Public and Press access to meeting:	Yes, with the exception of exempt items.
Council Officers advising the Committee:	Town Clerk and Senior Managers

Committee Name:	Events Committee
Reports to:	Community & Environment Committee
Membership:	15 Members (quorum = 5) The Committee may appoint non-councillors as standing or co-opted members as required.
Chair & Vice Chair:	
Responsibilities:	<ol style="list-style-type: none"> 1. To make recommendations to Council about the planning and delivery of social, civic and democratic events by the Town Council; 2. Oversight of the Town's major events.
Specific delegated authority:	<ul style="list-style-type: none"> - to oversee and agree the specification of services related to the planning and provision of events - to make recommendations to Council on expenditure for Town Events
Delegated Budgets:	Town Events (within individual budget heading limits agreed by Council)
Meeting Frequency:	Monthly

Public and Press open access to meeting:	Yes, with the exception of exempt items.
Council Officers advising the Committee:	Town Clerk, Resources Manager and Events Officer

Committee Name:	Scrutiny & Performance Committee DISBANDED
Reports to:	Council
Membership:	14 Members (quorum = 5) The Committee may appoint non-councillors as standing or co-opted members as required.
Chair & Vice Chair:	
Responsibilities:	Without prejudice to the responsibilities of the service committees, to review the effectiveness of all of the Council's work and the standards and levels of service provided.
Specific delegated authority:	N/A
Delegated Budgets:	none
Meeting Frequency:	As required
Public and Press open access to meeting:	Yes.
Council Officers advising the Committee:	Town Clerk and appropriate Manager(s)

Committee Name:	Governance & Performance Review Committee
Reports to:	Council
Membership:	6 Members (quorum = 3)
Chair & Vice Chair:	
Responsibilities:	1. To reviewing and make recommendations to the Council in respect of new and existing policies, including Standing Orders and Financial Regulations. 2. Overview of key targets and major projects
Specific delegated authority:	None
Delegated Budgets:	None
Meeting Frequency:	Quarterly / As and when required.
Public and Press access to meeting:	Yes, with the exception of exempt items.
Council Officers advising the Committee:	Town Clerk and all senior Managers of the Council

Committee Name:	Disciplinary & Grievance Hearing Panel
Reports to:	Council
Membership:	5 Members (quorum = 3)
Chair & Vice Chair:	
Responsibilities:	1. Hear and determine appeals against dismissal and appeals against all disciplinary action taken by the Town Clerk. 2. Hear representations by trade unions and managers in respect of disputes not capable of resolution by other means and discuss and reach decisions thereon. 3. Consider and reach decisions on grievances by employees, groups of employees or trade unions in terms of the procedures for staff
Specific delegated authority:	None
Delegated Budgets:	None

Meeting Frequency:	As and when required.
Public and Press access to meeting:	Yes, with the exception of exempt items. NB Given the nature of the Panel it is anticipated that all items will be of an exempt and therefore any public in attendance will be excluded.
Council Officers advising the Committee:	Town Clerk and all senior Managers of the Council

Committee Name:	Appeals Panel
Reports to:	Council
Membership:	5 Members (quorum = 3)
Chair & Vice Chair:	
Responsibilities:	<ol style="list-style-type: none"> 1. To hear and determine all matters of appeal in connection with the comments and complaints policy. 2. To hear and determine all matters of appeal in connection with Freedom of Information requests
Specific delegated authority:	None
Delegated Budgets:	None
Meeting Frequency:	As and when required.
Public and Press access to meeting:	Yes, with the exception of exempt items. NB Given the nature of the Panel it is anticipated that all items will be of an exempt and therefore any public in attendance will be excluded.
Council Officers advising the Committee:	Town Clerk and all senior Managers of the Council

Committee Name:	Town Clerks Appraisal Panel
Reports to:	Council
Membership:	5 Members (quorum = 3)
Chair & Vice Chair:	
Responsibilities:	To carry out the Town Clerks annual appraisal in line with the Councils Appraisal Policy
Specific delegated authority:	None
Delegated Budgets:	None
Meeting Frequency:	As and when required.
Public and Press access to meeting:	No
Council Officers advising the Committee:	Town Clerk and all senior Managers of the Council

Report to:	Peterlee Town Council
Date of Meeting:	7 th April 2025
Subject:	Review of Standing Orders
Report of:	Chief Officer/Town Clerk
Report Purpose:	To review the Council's Standing Orders.
Background:	<p>The Council's Standing Orders are based on a model produced by the National Association of Local Councils. The latest version of the model was published by NALC in 2022.</p> <p>The Governance Committee met on 25th March to review the Council's current Standing Orders.</p> <p>The only required amendment is to increase the contract threshold at 19f from £164,176 to £214,904 to take into account current regulations, which have been recently updated in the Council's Financial Regulations.</p> <p>The Committee's recommended Standing Orders are attached at Appendix 2.</p>
Recommendation:	That the updated Standing Orders attached at Appendix 2 be adopted.

Appendix 1: Implications

Finance No direct implications.

Staffing No direct implications

Risk A risk assessment will need to be completed for the use of the equipment if purchased.

Equality and Diversity, Cohesion and Integration No direct implications

Crime and Disorder No direct implications

Consultation & Communication No wider consultation required

Procurement No direct implications.

Legal No direct implications.



PETERLEE TOWN COUNCIL STANDING ORDERS

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 reviewed and adopted by Council in May 2022 with no substantive changes from the previous 2021 version

Ian Morris, Chief Officer & Town Clerk

Reviewed & Approved May 2023

PETERLEE TOWN COUNCIL STANDING ORDERS

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Amendments

No amendments from previous version

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.

- Unless permitted by the chairman of the meeting, a Councillor may speak once in the debate on a motion except:
 - to speak on an amendment moved by another Councillor;
 - to move or speak on another amendment if the motion has been amended since he last spoke;
 - to make a point of order;
 - to give a personal explanation; or
 - in exercise of a right of reply.
- o) 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.
- p) A point of order shall be decided by the chairman of the meeting and his decision shall be final.
- q) When a motion is under debate, no other motion shall be moved except:
 - to amend the motion;
 - to proceed to the next business;
 - to adjourn the debate;
 - to put the motion to a vote;
 - to ask a person to be no longer heard or to leave the meeting;
 - to refer a motion to a committee or sub-committee for consideration;
 - to exclude the public and press;
 - to adjourn the meeting; or
 - to suspend particular standing order(s) excepting those which reflect mandatory statutory requirements.
- r) 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.
- s) 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.

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.

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.**

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.**

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.

SCM/
CM/FC

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 subcommittee 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 2½ hours (e.g. commencing at 6.30pm closing no later than 9.00pm).

Committees and sub-committees

Unless the council determines otherwise, a committee may appoint a subcommittee whose terms of reference and members shall be determined by the committee.

The members of a committee may include non-Councillors unless it is a committee which regulates and controls the finances of the council.

Unless the council determines otherwise, all the members of an advisory committee and a sub-committee of the advisory committee may be non-Councillors.

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 subcommittee that they are permitted to attend; and
- xi. may dissolve a

Ordinary council meetings

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.

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.

The annual meeting of the council shall take place at 6.30pm.

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.

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.

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.

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.

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.

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.

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.

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
- e) 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 subcommittee] may convene an extraordinary meeting of a committee [and a subcommittee].

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.

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.

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.

Motions at a meeting that do not require written notice

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.

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.

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.

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.

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.**

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.

Responsible Financial Officer

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

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.

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 (or equivalent) apply to the contract.

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 Resources 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 Resources 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 Resources 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 Resources 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.

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 as required. The Town Clerk shall have the power to do anything to facilitate compliance with the Freedom of Information Act 2000.

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.

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.

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.

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.

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.

Report to: Peterlee Town Council

Date of Meeting: 7th April 2025

Subject: **Review of Financial Regulations**

Report of: Chief Officer/Town Clerk

Report Purpose: To review the Council's Financial Regulations.

Background: Members will recall that the Council's Financial Regulations were updated and reviewed by Council on 17th February 2025. (Minute No C.149/24 refers).

NALC have since updated their model Financial Regulations to take into account changes to the Procurement Act 2023 and The Procurement Regulation 2024, which came into 24 February 2025.

Detail

Proposed Amendments to take into account the above regulations are set out below. The changes are mandatory and therefore must be adopted by the Council. The changes are highlighted.

Current Financial Regulation 5.4

For a contract for the supply of goods, services or works where the estimated value will exceed the thresholds set by Parliament, the full requirements of **The Public Contracts Regulations 2015** or any superseding legislation ("the Legislation"), must be followed in respect of the tendering, award and notification of that contract.

Revised

For a contract for the supply of goods, services or works where the estimated value will exceed the thresholds set by Parliament, the full requirements of **The Procurement Act 2023 and The Procurement Regulations 2024** or any superseding legislation ("the Legislation"), must be followed in respect of the tendering, award and notification of that contract.

Current Financial Regulation 5.7

For contracts estimated to be **over £25,000 excluding VAT**, the Council must comply with any requirements of the Legislation 1 regarding **the advertising of contract opportunities and the publication of notices about the award of contracts**

Revised

For contracts estimated to be over **£30,000 including VAT**, the council must comply with any requirements of the Legislation regarding **the publication of invitations and notices.**

Current Financial Regulation 5.11

Contracts must not be split into smaller lots to avoid compliance with these rules

Revised

Contracts must not be split to avoid compliance with these rules.

Recommended:

That the Financial Regulations be updated to take into account the changes set out in the report.

Appendix 1: Implications

Finance No direct implications.

Staffing No direct implications

Risk A risk assessment will need to be completed for the use of the equipment if purchased.

Equality and Diversity, Cohesion and Integration No direct implications

Crime and Disorder No direct implications

Consultation & Communication No wider consultation required

Procurement No direct implications.

Legal No direct implications.



PETERLEE TOWN COUNCIL FINANCIAL REGULATIONS

ABSTRACT

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 reviewed and approved by the Council in January 2025.

Ian Hall, Chief Officer & Town Clerk
Responsible Financial Officer

Reviewed and Approved February 2025

PETERLEE TOWN COUNCIL
FINANCIAL REGULATIONS

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These Financial Regulations were adopted by the Council at its meeting held on [enter date].

1. General

- 1.1. These Financial Regulations govern the financial management of the Council and may only be amended or varied by resolution of the Council. They are one of the Council's governing documents and shall be observed in conjunction with the Council's Standing Orders.
- 1.2. Councillors are expected to follow these regulations and not to entice employees to breach them. Failure to follow these regulations brings the office of Councillor into disrepute.
- 1.3. Wilful breach of these regulations by an employee may result in disciplinary proceedings.
- 1.4. In these Financial Regulations:
 - 'Accounts and Audit Regulations' means the regulations issued under Sections 32, 43(2) and 46 of the Local Audit and Accountability Act 2014, or any superseding legislation, and then in force, unless otherwise specified.
 - "Approve" refers to an online action, allowing an electronic transaction to take place.
 - "Authorise" refers to a decision by the Council, or a committee or an officer, to allow something to happen.
 - 'Proper practices' means those set out in *The Practitioners' Guide*
 - *Practitioners' Guide* refers to the guide issued by the Joint Panel on Accountability and Governance (JPAG) and published by NALC in England or Governance and Accountability for Local Councils in Wales – A Practitioners Guide jointly published by One Voice Wales and the Society of Local Council Town Clerks in Wales.
 - 'Must' and **bold text** refer to a statutory obligation the Council cannot change.
 - 'Shall' refers to a non-statutory instruction by the Council to its members and staff.
- 1.5. The Responsible Financial Officer (RFO) holds a statutory office, appointed by the Council. The Town Clerk has been appointed as RFO and these regulations apply accordingly. The RFO;
 - acts under the policy direction of the Council;
 - administers the Council's financial affairs in accordance with all Acts, Regulations and proper practices;
 - determines on behalf of the Council its accounting records and control systems;
 - ensures the accounting control systems are observed;
 - ensures the accounting records are kept up to date;
 - seeks economy, efficiency and effectiveness in the use of Council resources; and
 - produces financial management information as required by the Council.
- 1.6. **The Council must not delegate any decision regarding:**
 - **setting the final budget or the precept (council tax requirement);**
 - **the outcome of a review of the effectiveness of its internal controls**
 - **approving accounting statements;**

- **approving an annual governance statement;**
- **borrowing;**
- **declaring eligibility for the General Power of Competence; and**
- **addressing recommendations from the internal or external auditors**

1.7. In addition, the Council shall:

- determine and regularly review the bank mandate for all Council bank accounts;
- authorise any grant or single commitment in excess of [£5,000]; and

2. Risk management and internal control

2.1. **The Council must ensure that it has a sound system of internal control, which delivers effective financial, operational and risk management.**

2.2. The Town Clerk shall prepare, for approval by the Council, a risk management policy covering all activities of the Council. This policy and consequential risk management arrangements shall be reviewed by the Council at least annually.

2.3. When considering any new activity, the Town Clerk shall prepare a draft risk assessment including risk management proposals for consideration by the Council.

2.4. **At least once a year, the Council must review the effectiveness of its system of internal control, before approving the Annual Governance Statement.**

2.5. **The accounting control systems determined by the RFO must include measures to:**

- **ensure that risk is appropriately managed;**
- **ensure the prompt, accurate recording of financial transactions;**
- **prevent and detect inaccuracy or fraud; and**
- **allow the reconstitution of any lost records;**
- **identify the duties of officers dealing with transactions and**
- **ensure division of responsibilities.**

2.6. At least once in each quarter, and at each financial year end, a member other than a cheque signatory shall be appointed to verify bank reconciliations for all accounts produced by the RFO. The member shall sign and date the reconciliations and the original bank statements (or similar document) as evidence of this. This activity, including any exceptions, shall be reported to and noted by the Resources Committee.

2.7. Regular back-up copies shall be made of the records on any Council computer and stored either online or in a separate location from the computer. The Council shall put measures in place to ensure that the ability to access any Council computer is not lost if an employee leaves or is incapacitated for any reason.

3. Accounts and audit

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.

- 3.2. **The accounting records determined by the RFO must be sufficient to explain the Council's transactions and to disclose its financial position with reasonably accuracy at any time. In particular, they must contain:**
- **day-to-day entries of all sums of money received and expended by the Council and the matters to which they relate;**
 - **a record of the assets and liabilities of the Council;**
- 3.3. The accounting records shall be designed to facilitate the efficient preparation of the accounting statements in the Annual Governance and Accountability Return.
- 3.4. The RFO shall complete and certify the annual Accounting Statements of the Council contained in the Annual Governance and Accountability Return in accordance with proper practices, as soon as practicable after the end of the financial year. Having certified the Accounting Statements, the RFO shall submit them (with any related documents) to the Council, within the timescales required by the Accounts and Audit Regulations.
- 3.5. **The Council must ensure that there is an adequate and effective system of internal audit of its accounting records and internal control system in accordance with proper practices.**
- 3.6. **Any officer or member of the Council must make available such documents and records as the internal or external auditor consider 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.
- 3.7. The internal auditor shall be appointed by the Council and shall carry out their work to evaluate the effectiveness of the Council's risk management, control and governance processes in accordance with proper practices specified in the Practitioners' Guide.
- 3.8. The Council shall ensure that the internal auditor:
- is competent and independent of the financial operations of the Council;
 - reports to Council in writing, or in person, on a regular basis with a minimum of one written report during each financial year;
 - can demonstrate competence, objectivity and independence, free from any actual or perceived conflicts of interest, including those arising from family relationships; and
 - has no involvement in the management or control of the Council
- 3.9. Internal or external auditors may not under any circumstances:
- perform any operational duties for the Council;
 - initiate or approve accounting transactions;
 - provide financial, legal or other advice including in relation to any future 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.

- 3.10. For the avoidance of doubt, in relation to internal audit the terms 'independent' and 'independence' shall have the same meaning as described in The Practitioners Guide.
- 3.11. 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 documents required by the Local Audit and Accountability Act 2014, or any superseding legislation, and the Accounts and Audit Regulations.
- 3.12. The RFO shall, without undue delay, bring to the attention of all Councillors any correspondence or report from internal or external auditors.

4. Budget and precept

- 4.1. **Before setting a precept, the Council must calculate its council tax requirement for each financial year by preparing and approving a budget, in accordance with The Local Government Finance Act 1992 or succeeding legislation.**
- 4.2. Budgets for salaries and wages, including employer contributions shall be reviewed by the Resources Committee at least annually as part of the budget setting process.
- 4.3. No later than the end of January each year, the RFO shall prepare a draft budget with detailed estimates of all income and expenditure for the following financial year taking account of the lifespan of assets and cost implications of repair or replacement.
- 4.4. Unspent budgets for completed projects shall not be carried forward to a subsequent year. Unspent funds for partially completed projects may only be carried forward by placing them in an earmarked reserve with the formal approval of the full Council.
- 4.5. Having considered the proposed budget forecast, the Council shall determine its council tax requirement by setting a budget. The Council shall set a precept for this amount no later than the end of January for the ensuing financial year.
- 4.6. **Any member with council tax unpaid for more than two months is prohibited from voting on the budget or precept by Section 106 of the Local Government Finance Act 1992 and must and must disclose at the start of the meeting that Section 106 applies to them.**
- 4.7. The RFO shall **issue the precept to the billing authority no later than the end of February** and supply each member with a copy of the agreed annual budget.
- 4.8. The agreed budget provides a basis for monitoring progress during the year by comparing actual spending and income against what was planned.
- 4.9. Any addition to, or withdrawal from, any earmarked reserve shall be agreed by the Council.

5. Procurement

- 5.1. **Members and officers are responsible for obtaining value for money at all times.** Any officer procuring goods, services or works should ensure, as far as practicable, that the best available terms are obtained, usually by obtaining prices from several suppliers.
- 5.2. The RFO should verify the lawful nature of any proposed purchase before it is made and in the case of new or infrequent purchases, should ensure that the legal power being used is reported to the meeting at which the order is authorised and also recorded in the minutes.
- 5.3. Every contract shall comply with these the Council's Standing Orders and these Financial Regulations and no exceptions shall be made, except in an emergency.
- 5.4. **For a contract for the supply of goods, services or works where the estimated value will exceed the thresholds set by Parliament, the full requirements of The Public Contracts Regulations 2015 or any superseding legislation ("the Legislation"), must be followed in respect of the tendering, award and notification of that contract.**
- 5.5. Where the estimated value is below the Government threshold, the Council shall (with the exception of items listed in paragraph 6.12) obtain prices as follows:
- 5.6. For contracts estimated to exceed £50,000 excluding VAT, the Town Clerk shall make arrangements to seek formal tenders from at least three suppliers OR advertise an open invitation for tenders in compliance with any relevant provisions of the Legislation.
- 5.7. **For contracts estimated to be over £25,000 excluding VAT, the Council must comply with any requirements of the Legislation¹ regarding the advertising of contract opportunities and the publication of notices about the award of contracts.**
- 5.8. For contracts greater than £3,000 excluding VAT the Town Clerk shall seek at least 3 fixed-price quotes;
- 5.9. where the value is between £500 and £3,000 excluding VAT, the Town Clerk shall try to obtain 3 estimates, which may include evidence of online prices, or recent prices from regular suppliers.
- 5.10. For smaller purchases, the Town Clerk shall seek to achieve value for money.
- 5.11. **Contracts must not be split into smaller lots to avoid compliance with these rules.**
- 5.12. The requirement to obtain competitive prices in these regulations need not apply to contracts that relate to items (i) to (iv) below:
 - i. specialist services, such as legal professionals acting in disputes;
 - ii. repairs to, or parts for, existing machinery or equipment;

¹ The Regulations require Councils to use the Contracts Finder website if they advertise contract opportunities and also to publicise the award of contracts over £30,000 including VAT, regardless of whether they were advertised.

- iii. works, goods or services that constitute an extension of an existing contract;
- iv. goods or services that are only available from one supplier or are sold at a fixed price.

5.13. When applications are made to waive this financial regulation to enable a price to be negotiated without competition, the reason should be set out in a recommendation to the Council, or relevant committee. Avoidance of competition is not a valid reason.

5.14. The Council shall not be obliged to accept the lowest or any tender, quote or estimate.

5.15. Individual purchases within an agreed budget for that type of expenditure may be authorised by:

- the Town Clerk, under delegated authority, for any items below [£3,000] excluding VAT.
- the Town Clerk, in consultation with the Chair of the Council. or Chair of the appropriate committee, for any items from £3,000 to £6,000 excluding VAT.
- a duly delegated committee of the Council for all items of expenditure within their delegated budgets for items exceeding £6,000 excluding VAT.
- in respect of grants, a duly authorised committee within any limits set by Council and in accordance with any policy statement agreed by the Council.
- the Council for all items over £6,000;

Such authorisation must be supported by a minute in the case of Council or committee decisions or other auditable evidence trail.

5.16. No individual Member, or informal group of Members may issue an official order or make any contract on behalf of the Council.

5.17. No expenditure may be authorised that will exceed the budget for that type of expenditure other than by resolution of the Council except in an emergency.

5.18. In cases of serious risk to the delivery of Council services or to public safety on Council premises, the Town Clerk may authorise expenditure of up to £6,000 excluding VAT on repair, replacement or other work that in their judgement is necessary, whether or not there is any budget for such expenditure. The Town Clerk shall report such action to the Chair as soon as possible and to the Council as soon as practicable thereafter.

5.19. No expenditure shall be authorised, no contract entered into or tender accepted in relation to any major project, unless the Council is satisfied that the necessary funds are available and that where a loan is required, Government borrowing approval has been obtained first.

5.20. 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, along with evidence of receipt of goods.

- 5.21. Any ordering system can be misused and access to them shall be controlled by the RFO.

6. Banking and payments

- 6.1. The Council's banking arrangements, including the bank mandate, shall be made by the RFO and authorised by the Council; banking arrangements shall not be delegated to a committee. The Council has resolved to bank with the Co-operative Bank. The arrangements shall be reviewed at least every 4 years for security and efficiency.
- 6.2. The Council must have safe and efficient arrangements for making payments, to safeguard against the possibility of fraud or error. Wherever possible, more than one person should be involved in any payment, for example by dual online authorisation or dual cheque signing. Even where a purchase has been authorised, the payment must also be authorised and only authorised payments shall be approved or signed to allow the funds to leave the Council's bank.
- 6.3. All invoices for payment should be examined for arithmetical accuracy, analysed to the appropriate expenditure heading and verified to confirm that the work, goods or services were received, checked and represent expenditure previously authorised by the Council before being certified by budget holders. Where the certification of invoices is done as a batch, this shall include a statement by the RFO that all invoices listed have been 'examined, verified and certified' by budget holders.
- 6.4. Personal payments, including salaries, wages, expenses and any payment made in relation to the termination of employment, may be summarised to avoid disclosing any personal information.
- 6.5. All payments shall be made by online banking or cheque, in accordance with appropriate authorisation, unless a different payment method has been agreed.
- 6.6. For each financial year the RFO may draw up a schedule of regular payments due in relation to a continuing contract or obligation such as Salaries, PAYE, National Insurance, pension contributions, rent, rates, regular maintenance contracts and similar items, which the Council may authorise in advance for the year.
- 6.7. A copy of this schedule of regular payments shall be signed by two members on each and every occasion when payment is made to reduce the risk of duplicate payments.
- 6.8. A list of such payments shall be emailed to all Councillors for information.
- 6.9. The Town Clerk shall have delegated authority to authorise payments in the following circumstances:
- i. {any payments of up to £3,000 excluding VAT, within an agreed budget.
 - ii. payments of up to £6,000 excluding VAT in cases of serious risk to the delivery of Council services or to public safety on Council premises.

- iii. any payment necessary to avoid a charge under the Late Payment of Commercial Debts (Interest) Act 1998 or to comply with contractual terms, where the due date for payment is before the next scheduled meeting of the Council, where the Town Clerk / RFO certify that there is no dispute or other reason to delay payment, provided that a list of such payments shall be emailed to all Councillors for information.
- iv. Fund transfers within the Councils banking arrangements up to the sum of £100,000, provided that a list of such payments shall be submitted to the next appropriate meeting of Resources Committee.

6.10. The RFO shall prepare a schedule of payments requiring authorisation, together with the relevant invoices. The schedule of payments will be emailed to all members for information. A panel of 5 members shall be designated as authorised signatories. Two members of the panel shall review the schedule for compliance and, having satisfied themselves, shall authorise payment by signing the schedule.

7. Electronic payments

- 7.1. Where internet banking arrangements are made with any bank, the Finance Officer shall be appointed as the Service Administrator. The bank mandate agreed by the Council shall identify at least 5 Councillors who will be authorised to approve transactions on those accounts and a minimum of two Councillors will be involved in any online approval process. The Town Clerk may be an authorised signatory, but no signatory should be involved in approving any payment to themselves.
- 7.2. No employee or Councillor shall disclose any PIN or password, relevant to the Council or its banking, to anyone not authorised in writing by the Council or a duly delegated committee.
- 7.3. The Service Administrator shall set up all items due for payment online in the presence of a senior officer. A list of payments for approval, together with copies of the relevant invoices, shall be sent by email to all Councillors.
- 7.4. In the prolonged absence of the Service Administrator an officer shall be appointed by the Town Clerk to set up any payments due before the return of the Service Administrator.
- 7.5. Two Councillors who are authorised signatories shall check the payment details against the invoices before approving each payment.
- 7.6. Evidence shall be retained showing which members approved the payment online and a printout of the transaction confirming that the payment has been made shall be appended to the invoice for audit purposes.
- 7.7. A full list of all payments made in a month shall be provided to all Councillors by email for information.
- 7.8. With the approval of the Council in each case, regular payments (such as gas, electricity, telephone, broadband, water, National Non-Domestic Rates, refuse collection, pension contributions and HMRC payments) may be made by variable direct debit, provided that the instructions are signed by two authorised members.

The approval of the use of each variable direct debit shall be reviewed by the Council at least every two years.

- 7.9. Payment may be made by BACS or CHAPS where appropriate provided that the schedule of payments is approved by two duly authorised members, evidence is retained and details of payments are emailed to all members. The approval of the use of BACS or CHAPS shall be renewed by resolution of the Council at least every two years.
- 7.10. If thought appropriate by the Council, regular payments of fixed sums may be made by banker's standing order, provided that the instructions are signed by two members, evidence of this is retained and any payments are reported to Council when made. The approval of the use of a banker's standing order shall be reviewed by the Council at least every two years.
- 7.11. Account details for suppliers may only be changed upon written notification by the supplier verified by the Town Clerk and Finance Officer. This is a potential area for fraud and the individuals involved should ensure that any change is genuine. Data held should be checked with suppliers every two years.
- 7.12. Members and officers shall ensure that any computer used for the Council's financial business has adequate security, with anti-virus, anti-spyware and firewall software installed and regularly updated.
- 7.13. Remembered password facilities {other than secure password stores requiring separate identity verification} should not be used on any computer used for Council banking.

8. Cheque payments

- 8.1. Cheques or orders for payment in accordance with a resolution or delegated decision shall be signed by two authorised signatories.
- 8.2. A signatory having a family or business relationship with the beneficiary of a payment shall not, under normal circumstances, be a signatory to that payment.
- 8.3. To indicate agreement of the details on the cheque with the counterfoil and the invoice or similar documentation, the signatories shall also initial the cheque counterfoil and invoice.

9. Payment cards

- 9.1. Any Debit Card issued for use will be specifically restricted to the Town Clerk and duly authorised officers and will also be restricted to a single transaction maximum value of £3,000 unless authorised by Council or appropriate committee in writing before any order is placed.
- 9.2. A pre-paid debit card may be issued to employees with varying limits. These limits will be set by the Council. Transactions and purchases made will be emailed to all Councillors on a monthly basis. Authority for topping-up shall be at the discretion of the Town Clerk.

9.3. Any corporate credit card or trade card account opened by the Council will be specifically restricted to use by the Town Clerk and duly authorised officers. Any balance shall be paid in full each month.

9.4. Personal credit or debit cards of members or staff shall not be used except under exceptional circumstances agreed by the Town Clerk. Receipts should be presented as proof of payment.

10. Petty Cash

10.1. The RFO shall maintain a petty cash of £75 and may provide petty cash to officers for the purpose of defraying operational and other expenses.

- a) Vouchers for payments made from petty cash shall be kept, along with receipts to substantiate every payment.
- b) Cash 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 any schedule of payments presented for approval.}

11. Payment of salaries and allowances

11.1. As an employer, the Council must make arrangements to comply with the statutory requirements of PAYE legislation.

11.2. Councillors allowances (where paid) are also liable to deduction of tax under PAYE rules and must be taxed correctly before payment.

11.3. Salary rates shall be agreed by the Council. No changes shall be made to any employee's gross pay, emoluments, or terms and conditions of employment without the prior consent of the Council.

11.4. Payment of salaries shall be made, after deduction of tax, national insurance, pension contributions and any similar statutory or discretionary deductions, on the dates stipulated in employment contracts.

11.5. Deductions from salary shall be paid to the relevant bodies within the required timescales, provided that each payment is reported, as set out in these regulations above.

11.6. Each payment to employees of net salary and to the appropriate creditor of the statutory and discretionary deductions shall be recorded in a payroll control account or other separate confidential record, with the total of such payments each calendar month reported in the cashbook.

11.7. Any termination payments shall be supported by a report to the Council, setting out a clear business case. Termination payments shall only be authorised by the full Council.

11.8. Before employing interim staff, the Council must consider a full business case.

12. Loans and investments

- 12.1. Any application for Government approval to borrow money and subsequent arrangements for a loan must be authorised by the full Council and recorded in the minutes. All borrowing shall be in the name of the Council, after obtaining any necessary approval.
- 12.2. Any financial arrangement which does not require formal borrowing approval from the Secretary of State, such as Hire Purchase, Leasing of tangible assets or loans to be repaid within the financial year, must be authorised by the full Council, following a written report on the value for money of the proposed transaction.
- 12.3. The Council shall consider the requirement for an Investment Strategy and Policy in accordance with Statutory Guidance on Local Government Investments, which must be written in accordance with relevant regulations, proper practices and guidance. Any Strategy and Policy shall be reviewed by the Council at least annually.
- 12.4. All investment of money under the control of the Council shall be in the name of the Council.
- 12.5. All investment certificates and other documents relating thereto shall be retained in the custody of the RFO.
- 12.6. Payments in respect of short term or long-term investments, including transfers between bank accounts held in the same bank, shall be made in accordance with these regulations.

13. Income

- 13.1. The collection of all sums due to the Council shall be the responsibility of and under the supervision of the RFO.
- 13.2. The Council will review all fees and charges for work done, services provided, or goods sold at least annually as part of the budget-setting process, following a report of the Town Clerk. The Town Clerk shall be responsible for the collection of all amounts due to the Council.
- 13.3. Any sums found to be irrecoverable and any bad debts shall be reported to the Council by Town Clerk and shall be written off in the year. The Council's approval shall be shown in the accounting records.
- 13.4. All sums received on behalf of the Council shall be deposited intact with the Council's bankers, with such frequency as the RFO considers necessary. The origin of each receipt shall clearly be recorded on the paying-in slip or other record.
- 13.5. Personal cheques shall not be cashed out of money held on behalf of the Council.
- 13.6. The Town Clerk shall ensure that VAT is correctly recorded in the Council's accounting software and that any VAT Return required is submitted from the software by the due date.

13.7. The RFO shall 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 record such as ticket issues, and that appropriate care is taken for the security and safety of individuals banking such cash.

13.8. Any income that 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.

14. Payments under contracts for building or other construction works

14.1. Where contracts provide for payment by instalments the Town Clerk shall maintain a record of all such payments, which shall be made within the time specified in the contract based on signed certificates from the architect or other consultant engaged to supervise the works.

14.2. Any variation of, addition to or omission from a contract must be authorised by the Town Clerk to the contractor in writing, with the Council being informed where the final cost is likely to exceed the contract sum by 5% or more, or likely to exceed the budget available.

15. Stores and equipment

15.1. The officer in charge of each section shall be responsible for the care and custody of stores and equipment in that section.

15.2. 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.

15.3. Stocks shall be kept at the minimum levels consistent with operational requirements.

15.4. The Town Clerk shall be responsible for periodic checks of stocks and stores.

16. Assets, properties and estates

16.1. The Town Clerk shall make arrangements for the safe custody of all title deeds and Land Registry Certificates of properties held by the Council.

16.2. The RFO shall ensure that an appropriate and accurate Register of Assets and Investments is kept up to date, with a record of all properties held by the Council, their 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.

16.3. 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.

16.4. No interest in land 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. In each case a written report 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 where required by law).

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, except where the estimated value of any one item does not exceed £2,500. In each case a written report shall be provided to Council with a full business case.

17. Insurance

- 17.1. The RFO shall keep a record of all insurances effected by the Council and the property and risks covered, reviewing these annually before the renewal date in conjunction with the Council's review of risk management.
- 17.2. The Town Clerk shall give prompt notification to the Council's Insurers of all new risks, properties or vehicles which require to be insured and of any alterations affecting existing insurances.
- 17.3. The RFO shall be notified of any loss, liability, damage or event likely to lead to a claim, and shall report these to the Council at the next available meeting. The RFO shall negotiate all claims on the Council's insurers.
- 17.4. All appropriate members and employees of the Council shall be included in a suitable form of security or fidelity guarantee insurance which shall cover the maximum risk exposure as determined annually by the Council.

18. Charities

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

19. Suspension and revision of Financial Regulations

- 19.1. The Council shall review these Financial Regulations annually and following any change of Town Clerk or RFO. The Town Clerk shall monitor changes in legislation or proper practices and advise the Council of any need to amend these Financial Regulations.
- 19.2. The Council may, by resolution 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 presented to all members. Suspension does not disapply any legislation or permit the Council to act unlawfully.

- 19.3. The Council may temporarily amend these Financial Regulations by a duly notified resolution, to cope with periods of absence, local government reorganisation, national restrictions or other exceptional circumstances.

Report to:	Peterlee Town Council
Date of Meeting:	7 th April 2025
Subject:	Review of Scheme of Delegation to Officers
Report of:	Chief Officer/Town Clerk
Report Purpose:	To review the Council's Scheme of Delegation to Officers.
Background:	<p>The Governance Committee met on 25th March to review the Council's current Scheme of Delegation to Officers.</p> <p>Reference to spending thresholds at 6.4 need to be amended to reflect the recently updated Financial Regulations. In addition the Authorised Officers Signatory list at Appendix 1 require amendment to reflect the new staffing structure. It is suggested that Senior Managers and the Finance Officer become bank signatories to allow them to deal direct with any queries with regard to debit card payments.</p> <p>These amendments have been made to the attached document.</p> <p>The Committee considered the wording of Section 8 Property Matters and Section 13 Legal Proceedings in detail. Further research was requested to ascertain the origin of the document.</p> <p>It has not been possible to find the source of the document. It is not available on NALC, CDALC or SLCC websites, however a search on the internet reveals that the same document is used by numerous town councils. The document must therefore have been made available from a central source for use.</p> <p>It is suggested that no amendments be made to the wording of Section 8 and Section 13 as it seems to be a standard document used across the town council sector.</p>
Recommendation:	That the updated Scheme of Delegation to Officers attached at Appendix 2 be adopted.

Appendix 1: Implications

Finance No direct implications.

Staffing No direct implications

Risk A risk assessment will need to be completed for the use of the equipment if purchased.

Equality and Diversity, Cohesion and Integration No direct implications

Crime and Disorder No direct implications

Consultation & Communication No wider consultation required

Procurement No direct implications.

Legal No direct implications.



Peterlee Town Council Scheme of Delegation

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.

Town Clerk

April 2025:

PETERLEE TOWN COUNCIL FINANCIAL REGULATIONS

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2. LIST OF AMENDMENTS

The Scheme of Delegation was reviewed in February 2023 and the following amendments were made from the previous March 2019 version:

Page	Item	Original	Revised
10	Appendix 1	n/a	Table of signatories updated

3. INTRODUCTION

- 3.1. 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.
- 3.2. 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.

4. EXTENT OF DELEGATION

- 4.1. All delegated functions shall be deemed to be exercised on behalf of and in the name of the Council.
- 4.2. 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
- 4.3. 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.
- 4.4. 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.
- 4.5. A delegation to a subordinate Officer shall not prevent the Town Clerk from exercising the same power or duty at the same time.

5. GENERAL MATTERS

- 5.1. The Town Clerk is authorised to:
- 5.2. 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.
- 5.3. Take any proceedings or other steps as may be necessary to enforce and recover any debt owing or other obligation due to the Council.
- 5.4. Institute and appear in any legal proceedings authorised by the Council.
- 5.5. 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).
- 5.6. 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.
- 5.7. 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.
- 5.8. Deal with day-to-day matters relating to the use of office accommodation space.
- 5.9. Negotiate and enter into contractual arrangements for artistes and promoters in relation to events held in Peterlee organised by the Town Council.
- 5.10. Manage all of the Council's services including:
- Shows and events
 - Parks & Cemeteries
 - Facilities Management including Shotton Hall and the Helford Road Pavilion
 - Services agreed under contract for other authorities and bodies

- Websites and social media accounts relating to the council and council activities
- 5.11. 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.
- 5.12. To act as the Council's designated Officer for the purposes of the Freedom of Information Act 2000.
- 5.13. To apply for planning consent for the carrying out of development by the Council.
- 5.14. To respond to consultations on planning applications and licensing applications subject to the comments by the Planning Committee.
- 5.15. Under the Regulation of Investigatory Powers Act 2000 to authorise directed surveillance or the use of a human intelligence source.
- 5.16. 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.
- 5.17. To manage, monitor and review the Council's internal control procedures.
- 5.18. To manage, monitor and review the Council's Corporate Risk Management Strategy.

6. FINANCIAL MATTERS

- 6.1. The Town Clerk is authorised to:
- 6.2. Be the Responsible Financial Officer for the purposes of Section 151 of the Local Government Act 1972.
- 6.3. Operate the Council's banking arrangements including arranging overdrafts.
- 6.4. Incur expenditure up to a maximum of £3,000 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. The clerk may also incur expenditure more than £3,000 and up to £6,000 in consultation with the Chairman of the Council and/or Chair of Resources Committee, as per Financial Regulations.
- 6.5. Pay all accounts properly incurred.
- 6.6. Pay all subscriptions to organisations to which the Council belongs.

- 6.7. Make all necessary arrangements for the provision of an internal and external audit service for the Council.
- 6.8. Negotiate settlements in connection with claims made by and against the Council in consultation with the Council's insurers where appropriate.
- 6.9. Incur expenditure on revenue items within the approved estimates and budgets.
- 6.10. Incur expenditure on capital schemes within the Council's approved capital Programme.
- 6.11. Use the Repairs and Maintenance Budgets for the maintenance, replacement or repair of existing plant, vehicles or equipment.
- 6.12. Enter into leasing and contract hire agreements for the acquisition of vehicles machinery and equipment on such terms as are considered appropriate.
- 6.13. 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.
- 6.14. Carry out virement of sums between cost centres in accordance with the Council's Financial Regulations.
- 6.15. 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.
- 6.16. Authorise action for the recovery of debts.
- 6.17. Write-off debts up to the level set by the Council.
- 6.18. Maintain a Register of Assets and Inventory of Equipment.
- 6.19. Determine the Town Council's insurance requirements on the Council's behalf.
- 6.20. Make all necessary arrangements for the Council's insurances.

7 STAFFING MATTERS

- 7.1. The Town Clerk is given delegated powers to manage the Council staff in accordance with the Council's policies, procedures and budget, including:
- 7.2. Appointments to posts including apprentices.
- 7.3. Employment of temporary employees.
- 7.4. Preparation of the job description and person specification, placing of the advertisement and short-listing of applicants.
- 7.5. Management of staff performance.
- 7.6. Control of discipline and performance, including the power of suspension and dismissal.
- 7.7. Exercise of disciplinary and grievance procedures in accordance with the Council's procedures.
- 7.8. 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.
- 7.9. Approve or refuse applications for re-grading, remove any bars in salary scales and to authorise salary increments and accelerated increments.
- 7.10. Approve payment of overtime.
- 7.11. Agree minor variations to the condition of employment.
- 7.12. Implement and monitor the arrangements for annual leave, flexi time, sickness absence, maternity and paternity leave in accordance with the Council's policies.
- 7.13. Authorise training in line with the Council's policies.
- 7.14. Authorise the provision of uniforms or protective clothing.
- 7.15. Approve payment of claims from employees for compensation for loss of or damage to personal property.
- 7.16. Negotiate and agree settlements on behalf of the Council in relation to any proceedings in the Employment Tribunal.
- 7.17. Agree to premature retirement on the grounds of duly certified ill health.
- 7.18. Terminate employment during probation and to review salary on completion of probationary periods.
- 7.19. Commission legal and professional advice on staffing matters.

8 PROPERTY MATTERS

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

9 URGENCY

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

10 EMERGENCY PLANNING

- 10.1. 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.
- 10.2. 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.

11 PROCEDURAL

- 11.1. The Town Clerk can:
- 11.2. Authorise Officers to exercise statutory powers of entry and inspection for the purposes of any function under their control.
- 11.3. Serve requests for information as to ownership occupation and other interests in land for the purposes of any function under their control.
- 11.4. 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.

12 HEALTH AND SAFETY AT WORK ACT 1974

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

13 LEGAL PROCEEDINGS

- 13.1. The Town Clerk is authorised to:
- 13.2. Take and discontinue legal proceedings in any Court or at any Tribunal.
- 13.3. Take Counsel's advice or instruct Counsel to represent the Council.
- 13.4. 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.
- 13.5. Represent the Council at Court or any Tribunal or to make arrangements for appropriate representation.

- 13.6. 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.
- 13.7. Apply the affixing of the Common Seal of the Council to documents in accordance with Standing Orders.
- 13.8. 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.
- 13.9. Serve Requisitions for Information.
- 13.10. Prepare a draft budget for consideration by the Council.
- 13.11. Prepare the final accounts for each financial year.

Date of Adoption

This Scheme of delegation was reviewed and adopted by Council on 27th February 2023.

APPENDIX 1: AUTHORISED OFFICERS SIGNATORY LIST

	BANK SIGNATORY	DEBIT CARD ¹	INVOICES ²	PURCHASE ORDERS ³	CONTRACTS ⁴	TIMESHEETS ⁵
Chief Officer/Town Clerk		X	X	X	X	X
Resource Services Manager	X	X	X	X	X	X
Neighbourhood Services Manager	X	X	X	X		X
Pavilion Sports and Community Deputy/Duty Managers	X	X	X	X		X
Finance Officer	X					
Communications & Marketing Officer (as directed by Resource Services Manager)		X		X		
Events Officer (as directed by Resource Services Manager)		X		X		
Maintenance & Repairs Operative (SC4) (as directed by a Senior Manager)		X				
Neighbourhood Services Team Leaders (SC6) (in Neighbourhood Services Manager's absence or as directed by Manager)		X		X		

1.

¹ Debit card usage is restricted to expenditure under £3,000 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) – any expenditure greater than this must be approved by the Town Clerk or Deputy Town Clerk
- And that the purchase has express approval from the budget holder or Town Clerk prior to the card being used.

Part 1: Authorisation

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

Part 2: Issue/Return

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

Report to: Peterlee Town Council

Date: 3rd February 2025

Report of: Chief Officer/Town Clerk

Subject: **Eden Lane Depot - Update**

Report Purpose: To update members on progress on works required to Eden Lane Depot to bring it back into use and to earmark funding to enable the required works to be undertaken.

Background: Council, at its meeting held on 3rd February 2025, were informed of urgent work required at Eden Lane Depot and that the workforce had been temporarily relocated to Shotton Hall as a base due to safety concerns until the required works were completed. (Minute No C.142/24 refers).

Work was required to:

- Repair the metal roofing to the large store
- Replace tiled roof
- Repair to small store walls and floor
- Testing of electrics and repair/replace where necessary

Update: A number of specialist contractors have been engaged to identify required work and provide estimates. The current position is as follows:

Main Roof

The main roof has been repaired to prevent further water ingress. Further work is required to:

- a. Renew the tiled roof.
- b. Repairs to the metal clad roof.

Estimates for this work is being obtained and will be reported to members in due course.

Small Store

Work to repair the cracks and structural movement to the small store is not economical. It is therefore proposed that:

1. The small store be demolished. The equipment has been relocated to the area that used to be used as offices and welfare facilities.
2. Portacabin type buildings be located on the small store area after it is demolished to provide office and welfare facilities.
3. The fuel store may have to be relocated to accommodate portacabins.

Estimates for this work is being obtained and will be reported to members in due course.

Electrics

The electrical systems have been tested and found to be safe. The roof has been repaired and therefore no deterioration is expected.

Some further work may be necessary to the electrics to upgrade the installation following work to the roof and installation of portacabins, if approved.

Funding of work:

Following discussion with various contractors the extend of the necessary work is better understood. Although quotations are being sought in line with Financial Regulations, it is expected that the required work to bring the depot back into full use could cost in the region of £100,000

The projected underspend was reported to Council at its meeting held on 17th February 2025. It is proposed that funding be earmarked from the underspend on the 2025/26 budget to finance the repairs to the Depot.

Recommended:

1. That the update be noted.
2. That £100,000 be earmarked from the 2024/25 underspend to fund the repairs.

Appendix 1: Implications

Finance Allocation of £100,000 to earmarked funds to finance the repairs.

Staffing No direct implications

Risk No direct implications

Equality and Diversity, Cohesion and Integration No direct implications

Crime and Disorder No direct implications

Consultation & Communication No wider consultation required

Procurement No direct implications.

Legal No direct implications

Report to: Peterlee Town Council

Date: 7th April 2025

Report of: Pavilion Sport and Community Manager

Report Title: **Citizens Advice**

Purpose: To consider the support/subsidy for Citizens Advice to continue to deliver a service from The Pavilion.

Executive Summary This report seeks approval for the continued support of concessionary use for the Citizens Advice Service, which plays a crucial role in providing essential resources and assistance to individuals and families in our community. The Citizens Advice Service offers free, confidential advice and support on a range of issues, including legal, financial, and social matters, empowering citizens to make informed decisions and navigate challenging circumstances.

Background: Citizens Advice Service (CAS) has been a fundamental service for the community, acting as a vital resource for information and support. CAS provides free, impartial advice on a range of issues including debt, housing, benefits and tax credits, employment and consumer goods and services.

This report outlines the values of maintaining a CAS within a community setting including its impact on community wellbeing, accessibility, and engagement, as well as the economic and social benefits for local residents.

Citizens advice have delivered their service from the Pavilion since November 2021 from 9.00 – 4.00 p.m. They originally provided a drop-in service, however now it is by appointment only. PTC have subsidised the full room hire charge since CAS commenced their booking in November 2021.

Citizens Advice County Durham are a registered charity (Charity Registration Number 1151790).

Key Considerations:

1. **Community Impact:**
CAS plays a pivotal role in improving the lives of countless residents. Continued access to their services can help reduce financial hardship, improve mental health outcomes, and enhance social cohesion.
2. **Cost-Effective Solution:**
Providing a subsidy for room hire is a cost-effective way for our organisation to support an initiative that has wide-reaching benefits. The potential savings to individuals and families through effective advice far outweigh the cost of subsidising the room hire. **Please see Appendix 2 for Key statistics page 2, section 1.**
3. **Alignment with PTC vision, objectives and values:**
Supporting the CAS aligns with our strategic objectives to providing excellent public services, foster an inclusive

community and enhance well-being among residents. It also demonstrates our commitment to public sector sign-posting and economic development.

Continuing to subsidise CAS also aligns with PTC's values of the Community; prioritising the needs and wellbeing of the community in all council initiatives, and Collaboration: continued engagement with the CAS strengthens community partnerships and promotes a collaborative approach to addressing social issues.

Recommendations:

It is recommended that the Council continue to support Citizens advice by continuing to subsidise room hire to enable the service to continue operating from The Pavilion for the coming year.

By continuing financial support for their room hire, we can help them sustain this essential service and promote community welfare.

Appendix 1: Implications

Finance Allocation of the Town Council's Concessionary budget to support one service. Potential loss of income from room hire (£18 an p/hr community, £27.00 p/hr business rate).

Staffing No direct implications.

Risk No direct implications

Equality and Diversity, Cohesion and Integration No direct implications

Consultation & Communication No wider consultation required.

Procurement No direct implications.

Legal No direct implications

Appendix 2

Citizen's Advice Service County Durham - provided by Emma Woods
Regional Advice Manager. (Attached).

Briefing to Peterlee Town Council – March 2025

In 2024/25 Citizens Advice County Durham continued to be available for in-person contacts across two main venues in Peterlee.

Thanks to the support of the Town Council, The Pavilion acts as the primary in-person delivery venue.

Additional venues have included space within East Durham Trust's Community House in 2024. Work on a move to dedicated space within Peterlee Methodist Church Hall, alongside other advice services in the locality, is currently emerging.

We envisage The Pavilion to still be a key delivery venue into 2025/26.

We would like to give thanks for the continued support that we receive from Peterlee Town Council. The support that you offer has a substantial impact on clients in Peterlee.

Please see the following statistics which help illustrate the impact on clients:

1. Key Statistics – The Pavilion only

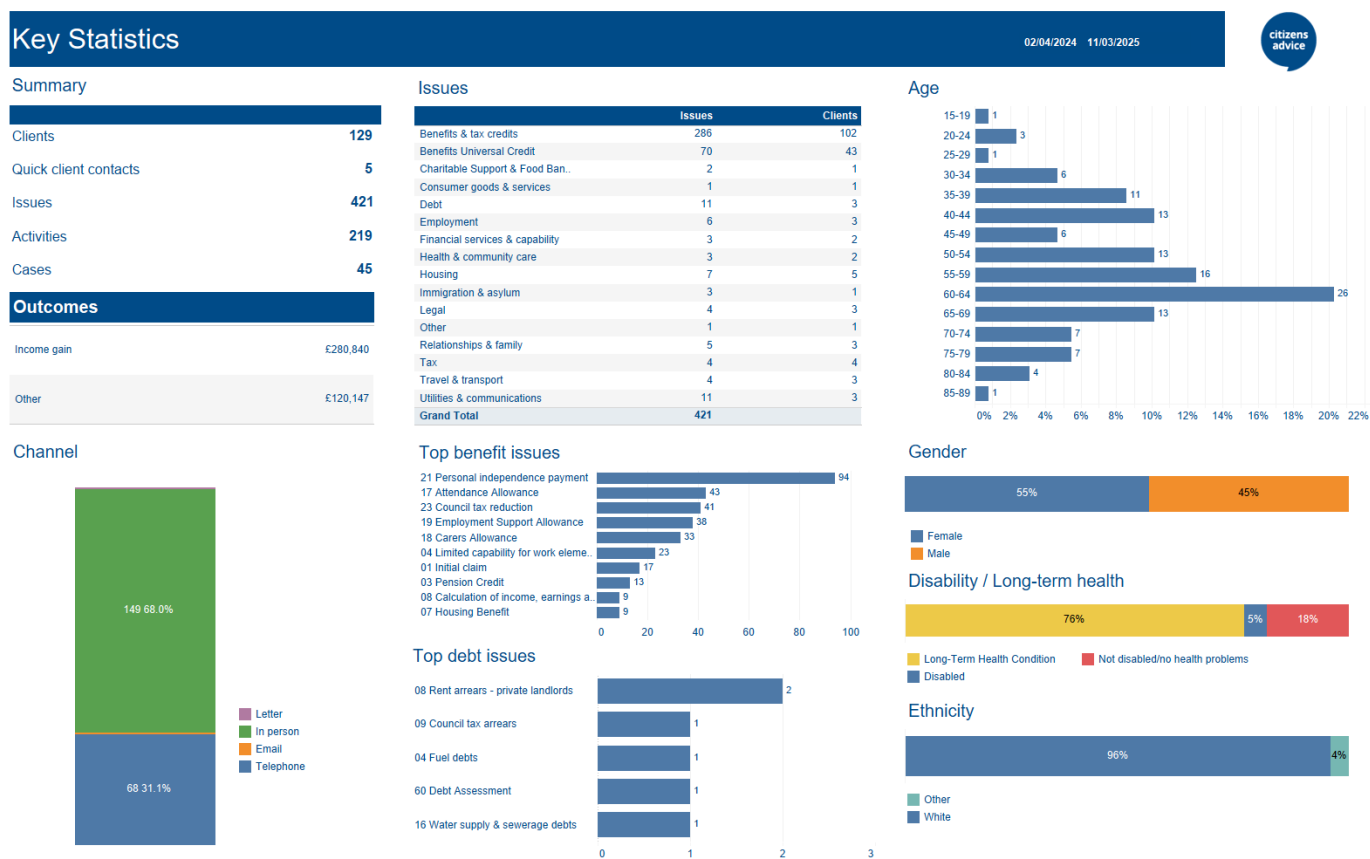
Statistics from clients who have attended The Pavilion as a venue.

2. Parish Key Statistics – Peterlee Town Council residents - Citizens Advice County Durham, all projects and channels

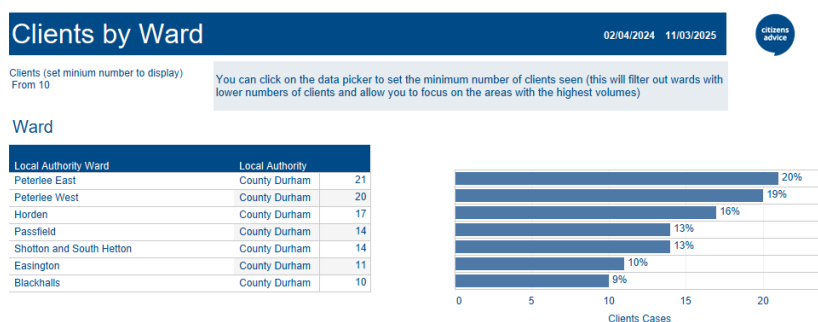
Statistics for clients with postcodes within Peterlee Town Council parish area

1. Key Statistics – The Pavilion only

From within The Pavilion, between 2nd April 2024 to 10th March 2025, we have advised 129 clients with 421 issues affecting their lives. Between these cases, a total financial outcome of £400,987 has been identified (an average £3,108 per client).



Over half of clients attending The Pavilion are resident within the Peterlee Town Council area.



2. Parish Key Statistics – Peterlee Town Council residents - Citizens Advice County Durham, all projects and channels

In addition to attending The Pavilion, clients from Peterlee also benefit from access to wider services from Citizens Advice County Durham.



Across all CACD projects and channels, between 2nd April 2024 and 10th March 2025, we have advised 305 residents of the Peterlee Town Council area, supported with 1552 issues, and identified total £724,596 in financial gains. Contacts have been across a range of channels including email and telephone, however in person contact remains an important channel. It is recognised that in person contact within The Pavilion facilitates a valuable added value via referrals into wider projects.