



# Penrith Town Council

Unit 1, Church House, 19-24 Friargate, Penrith, Cumbria, CA11 7XR

Tel: 01768 899 773 Email: [office@penrithtowncouncil.gov.uk](mailto:office@penrithtowncouncil.gov.uk)

**DATE: 17 June 2024**

**NOTICE IS HEREBY GIVEN** that an **ORDINARY MEETING** of **THE FINANCE COMMITTEE** will be held on **Monday 24 June 2024**, at **6.00pm** and you are hereby **SUMMONED** to attend to transact the business as specified in the agenda and reports hereunder.

The meeting will be held at the Penrith Town Council Office, Boardroom, Unit 1, Church House, 19-24 Friargate, Penrith.

To assist in the speedy and efficient dispatch of business', Members should read the agenda and reports in advance of the meeting. Members wishing to obtain factual information on items included on the Agenda are asked to enquire of the relevant officer **PRIOR** to 9.00am on the day of the meeting.

Members are asked to indicate if they wish to speak on an item **PRIOR** to the meeting (by 1.00pm on the day of the meeting at the latest) by emailing [office@penrithtowncouncil.gov.uk](mailto:office@penrithtowncouncil.gov.uk)

## COMMITTEE MEMBERSHIP

Cllr. Burgin	South Ward	Cllr. Lawson	Carleton Ward
Cllr. Jackson	North Ward	Cllr. Rudhall	East Ward
Cllr. D. Jayson	North Ward	Cllr. Shepherd	East Ward
Cllr. Kenyon	North Ward		

A handwritten signature in black ink, appearing to read 'I. Parker'.

Mr I. Parker, Acting Town Clerk

## **Public Participation**

Members of the public are welcome to attend. Details about how to comment on an agenda item are available on the Town Council Website.

## **Filming**

**Please note that this meeting may be filmed for live or subsequent broadcast via the internet or social media.**

**Please be advised that the Town Council does not record or live stream meetings.**

Penrith Town Council fully supports the principle of openness and transparency and has no objection to filming and reporting at its Full Council, and Committee meetings that are open to the public. It also welcomes the use of social networking websites, such as Twitter and Facebook, to communicate with people about what is happening, as it happens. Filming will only commence at the beginning of a meeting when the Chair opens the meeting with apologies and will finish when the meeting is closed or when the public may be excluded from an exempt item. The Council, members of the public and the press may record/film/photograph or broadcast this meeting when the public and the press are not lawfully excluded.

## **General Power of Competence**

The Town Council resolved from 15 May 2023, until the next relevant Annual Meeting of the Council, that having met the conditions of eligibility as defined in the Localism Act 2011 and SI 965 The Parish Councils (General Power of Competence)(Prescribed Conditions) Order 2012, to adopt the General Power of Competence.

# **AGENDA FOR THE MEETING OF FINANCE COMMITTEE MONDAY 24 JUNE 2024**

## **PART I**

### **1. Apologies for Absence**

Receive apologies from Members.

### **2. Appointment of Vice Chair**

To appoint a Vice-Chair of the Finance Committee for the remainder of the 2024-25 municipal year.

### **3. Declarations of Interest and Requests for Dispensations**

Receive declarations by Members of interests in respect of items on this agenda and apply for a dispensation to remain, speak and/or vote during consideration of that item.

#### **ADVICE NOTE:**

Members are reminded that, in accordance with the revised Code of Conduct, they are required to declare any disclosable pecuniary interests or other registrable interests which have not already been declared in the Council's Register of Interests. (It is a criminal offence not to declare a disclosable pecuniary interest either in the Register or at the meeting.) Members may, however, also decide, in the interests of clarity and transparency, to declare at this point in the meeting, any such disclosable pecuniary interests which they have already declared in the Register, as well as any other registrable or other interests. If a Member requires advice on any item involving a possible declaration of interest which could affect his/her ability to speak and/or vote, he/she is advised to contact the Monitoring Officer at least 24 hours in advance of the meeting

### **4. Public Participation**

Receive any questions or representations which have been received from members of the public. A period of up to 15 minutes for members of the public to ask questions or submit comments.

#### **ADVICE NOTE:**

Members of the public may make representations, ask questions, and give evidence at a meeting which they are entitled to attend in respect of the business on the agenda. It is helpful if a member of the public who wishes to speak at a meeting makes a request to speak in writing to the Town Clerk **PRIOR** to the meeting. A member of the public can speak for up to three minutes. A question shall not require a response at the meeting nor start a debate on the question. The chair of the meeting may direct that a written or oral response be given. Where the Council is unable to provide a response to the question at the meeting, they will do so in writing within seven days and the response will be attached to the minutes as an appendix.

## **5. EXCLUDED ITEM: Public Bodies (Admissions to Meetings) Act 1960**

Determine whether any items should be considered without the presence of the press and public, pursuant to Section 1(2) of the Public Bodies (Admission to Meetings) Act, 1960, as publicity relating to that (any of those) matter/s may be prejudicial to the public interest by reason of the confidential nature of the business to be transacted or for the other special reasons noted in relation to that matter on the agenda.

## **6. Payments for Approval**

- a) Note that Cllr. Burgin and Cllr. Lawson accessed the Banking System to reconcile the report of all payments made for the relevant period and would be able to recommend that each payment aligned with the invoices.
- b) Agree two Members to undertake the Payments for Approval reconciliation for the meeting of Finance Committee on the 16 September 2024.
- c) Approve the monthly report of payments for April and May 2024.

## **7. Bank Reconciliation**

Approve and sign the bank reconciliations as of 30 April and 31 May 2024 as a correct record.

## **8. Budgetary Control Statement 2024/25: 31 May 2024**

Review and approve the Budgetary Control Statement for the period 31 May 2024 and recommend the statement be ratified by Full Council.

## **9. Insurance Renewal**

Note the Council's insurance policy has been renewed on a three-year long-term agreement. The renewal premium for the 12-month period effective from 18 May 2024 is £4,062.19 and includes Insurance Premium Tax. The premium has been paid in full. The Council's insurer is Zurich Municipal.

## **10. Banking**

Note the Council has received this year's precept in full from Westmorland and Furness Council and that £300,000 has been invested with the CCLA. The Council has £880,000 invested with the CCLA, representing both long-term reserves and temporary cash flow surpluses.

## **11. Work Plan**

Note the Finance Committee Work Plan for this municipal year.

## **12. Policy Review**

Consider the following reviewed policies and agree that these go forward to Full Council for ratification.

- a) Financial Regulations
- b) Complaints Policy and Procedure

## **13. Next Meeting**

Note the next meeting is scheduled for **Monday 16 September 2024, with a time to be agreed** at Board Room, Unit 1, Church House, 19-24 Friargate, Penrith, Cumbria, CA11 7XR.

## **PART II PRIVATE SECTION**

There are no further items in this part of the Agenda.

## **FOR THE ATTENTION OF ALL MEMBERS OF THE FINANCE COMMITTEE AND FOR ATTENTION TO ALL REMAINING MEMBERS OF THE TOWN COUNCIL**

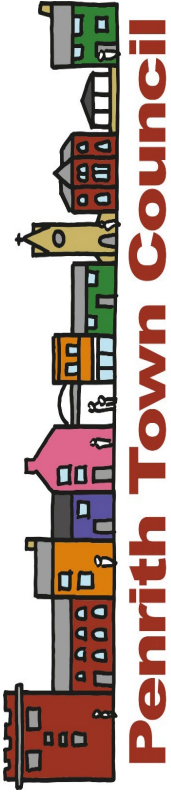
### **Access To Information**

Copies of the agenda are available for members of the public to inspect prior to the meeting. Agenda and Part I reports are available on the Town Council website at <https://www.penrithtowncouncil.gov.uk/>

### **Background Papers**

Requests for the background papers to the Part I reports, excluding those papers that contain exempt information, can be made to the Acting Town Clerk address overleaf between the hours of 9.00 am and 4.00 pm, Monday to Friday via [office@penrithtowncouncil.gov.uk](mailto:office@penrithtowncouncil.gov.uk)

INTENTIONALLY BLANK



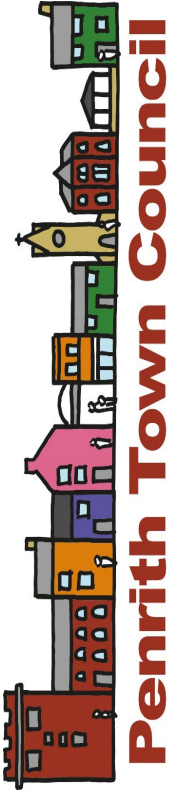
Payments Schedule  
April 2024

Date	Ref	Details	Net £	VAT £	Total £	Budget
02/04/2024	CCR24-01	The Purple Guide	25.00	5.00	30.00	Subscriptions
02/04/2024	CCR24-02	Penrith Posters Ltd	34.00	-	34.00	Community Consultation
04/04/2024	CCR24-03	Post Office Ltd	10.50	-	10.50	Printing, Postage & Stationery
05/04/2024	CCR24-04	Canva	10.83	2.16	12.99	Community Engagement
08/04/2024	CHG	Bank Charges to 17 Mar	8.00	-	8.00	Bank Charges & Interest
17/04/2024	24-01	Turnstone HR Ltd - HR Services	125.00	25.00	150.00	Legal & Professional Fees
17/04/2024	24-02	KTD Ltd - Microsoft licences and cover	2,722.80	544.56	3,267.36	IT
17/04/2024	24-03	Westmorland and Furness Council - Bandstand NNDR	109.78	-	109.78	Bandstand
17/04/2024	24-04	Post & sellotape	17.00	-	17.00	Printing, Postage & Stationery
17/04/2024	24-05	Eden District Talking Newspaper - March Recording	25.00	-	25.00	Community Engagement
17/04/2024	24-06	Askins and Little - Repairs to Musgrave Monument	70.00	14.00	84.00	Musgrave Monument
17/04/2024	24-07	Cumbria Association of Local Councils - NALC/CALC Subs 2024/	1,611.34	-	1,611.34	Subscriptions
17/04/2024	24-08	PPL PRS Ltd - Music Licence 2024/25	383.64	76.72	460.36	Subscriptions
17/04/2024	24-09	Beacon Fire Protection Ltd - Fire Extinguisher Service	31.53	6.31	37.84	Service Charges
17/04/2024	24-10	Carlisle DBF - Cleaning of communal area Feb/Mar 2024	91.20	18.24	109.44	Service Charges
17/04/2024	24-10	Carlisle DBF - hire of meeting room Mar 2024	72.00	14.40	86.40	Room Hire/Meetings
17/04/2024	24-11	Heatons Group - Stationery	41.25	8.25	49.50	Printing, Postage & Stationery
17/04/2024	24-12	Cumbrian Local Publications Ltd - Eden Local May Annual Repo	520.00	-	520.00	Community Engagement
17/04/2024	24-13	Jean Airey - Internal Audit and Report to 31 March 2024	208.10	-	208.10	Audit Fees
18/04/2024	CCR24-05	Amazon UK	16.90	3.38	20.28	Town Projects
18/04/2024	DD	BrightHR	43.20	8.64	51.84	IT
22/04/2024	CCR24-06	Penrith Posters Ltd	51.00	10.20	61.20	Community Engagement
22/04/2024	CCR24-07	Marks and Spencer	10.45	-	10.45	Annual Meeting
22/04/2024	DD	British Gas	14.99	0.75	15.74	Bandstand
24/04/2024	24-14	Urbarser Ltd - Community Caretaker Contract March 24	712.72	142.54	855.26	Community Caretaker
24/04/2024	24-15	Urbarser Ltd - Grounds Maintenance March 24	57.00	11.40	68.40	Thacka Beck
24/04/2024	24-15	Urbarser Ltd - Grounds Maintenance March 24	306.75	61.35	368.10	Fairhill Park
24/04/2024	24-16	Urbarser Ltd - adhoc works	27.04	5.41	32.45	Fairhill Park
24/04/2024	24-16	Urbarser Ltd - adhoc works	53.02	10.60	63.62	Bus Shelters
24/04/2024	24-17	Barron Media Ltd - Advert Herald	380.00	76.00	456.00	Community Engagement
24/04/2024	24-18	KTD Ltd - Domain Services	195.00	39.00	234.00	IT
24/04/2024	24-19	KTD Ltd - Domain Services 27/05 - 26/08/24	23.75	4.75	28.50	IT
24/04/2024	24-20	KTD Ltd - IT Services 365 Support and Backup 30/05-29/06/24	118.80	23.76	142.56	IT
24/04/2024	24-21	Barron Media Ltd - Advert Herald Town Meeting	55.00	11.00	66.00	Annual Meeting
24/04/2024	24-22	Gale Little - Cleaning Services	80.00	-	80.00	Service Charges
26/04/2024	DD	New Star Networks	368.38	73.68	442.06	IT
26/04/2024	BP	Net Pay April 2024	13,646.35	-	13,646.35	Staffing - Salaries
29/04/2024	CCR24-08	Adobe Software	101.10	20.22	121.32	Licences

**Total** 22,378.42 1,217.32 23,595.74

INTENTIONALLY BLANK





**Payments Schedule  
May 2024**

Date	Ref	Details	Net £	VAT £	Total £	Budget
01/05/2024	24-23	Cumbria Action for Sustainability - Climate Training Coun. Lawson	146.00	-	146.00	Members' Training
01/05/2024	24-24	Rural Services Partnership Ltd - Annual Subscription	137.00	27.40	164.40	Subscriptions
01/05/2024	24-25	KTD Ltd - IT Services Cloud Backup	29.00	5.80	34.80	IT
01/05/2024	24-26	KTD Ltd - System Support Renewal	56.25	11.25	67.50	IT
01/05/2024	24-27	IS Consultancy (UK) Ltd - Wayfinding Design	2,997.50	599.50	3,597.00	Town Projects
01/05/2024	24-28	Granicus-Firmstep Ltd - Annual renewal	4,815.00	963.00	5,778.00	Community Engagement
01/05/2024	24-29	Signs of Cheshire Ltd - Noticeboard Fairhill	1,165.00	233.00	1,398.00	Community Engagement
01/05/2024	24-30	Cumberland Council - Highway Permit Dressing	142.00	-	142.00	Town Projects
01/05/2024	24-31	Lamont Pridmore - Accountancy Fees six months to March 24	2,215.00	443.00	2,658.00	Accountancy Fees
01/05/2024	24-32	Heatons Group - Stationery	116.75	23.35	140.10	Printing, Postage & Stationery
01/05/2024	24-33	Turnstone HR - HR Services	125.00	25.00	150.00	Legal & Professional Fees
02/05/2024	CCR24-09	Amazon - Hardware (microphone)	135.48	-	135.48	Community Engagement
03/05/2024	CCR24-10	Printing Postage Stationery	2.90	-	2.90	Printing, Postage & Stationery
09/05/2024	CHG	Bank Charges to 17 Apr 2024	8.00	-	8.00	Bank Charges & Interest
13/05/2024	CCR24-11	Canva	10.83	2.16	12.99	Community Engagement
13/05/2024	CCR24-12	Post Office Ltd	38.05	-	38.05	Printing, Postage & Stationery
15/05/2024	24-34	KTD Ltd - Aindale Premium	171.00	34.20	205.20	IT
15/05/2024	24-35	Carlisle DBF Ltd - Room Hire	124.00	24.80	148.80	Room Hire/Meetings
15/05/2024	24-36	SLCC - Membership	357.00	-	357.00	Subscriptions
15/05/2024	24-37	Zurich Town & Parish, Insurer Trust Account - Annual Insurance	4,062.19	-	4,062.19	Insurance
15/05/2024	24-38	Walton Goodland - Office Rent 24/06 - 28/09/24	1,875.00	-	1,875.00	Rent
16/05/2024	CHQ	Transfer to CCLA	300,000.00	-	300,000.00	
17/05/2024	DD	BrightHR	43.20	8.64	51.84	IT
17/05/2024	BP	Cumbria Local GovtPension Apr 24	5,480.30	-	5,480.30	Staffing - Salaries
17/05/2024	BP	HMRC PAYE Apr 24	4,987.98	-	4,987.98	Staffing - Salaries
22/05/2024	DD	British Gas	14.43	0.72	15.15	Bandstand
22/05/2024	24-39	Eden Valley Artistic Network - Sounds Around Town	2,880.00	-	2,880.00	Arts & Culture Development
22/05/2024	24-40	Lowther Forestry Group Ltd - Grounds Maintenance Contract	404.00	80.80	484.80	Thacka Beck
22/05/2024	24-40	Lowther Forestry Group Ltd - Grounds Maintenance Contract	856.00	171.20	1,027.20	Fairhill Park
22/05/2024	24-41	Penrith Parish Centre Ltd - Storage Rent	520.00	-	520.00	Room Hire/Meetings
22/05/2024	24-42	KTD Ltd - Managed Email Security	618.00	123.60	741.60	IT
22/05/2024	24-43	KTD Ltd - Microsoft licence	78.80	15.76	94.56	IT
22/05/2024	24-44	Penrith Lions Club (CIO) - Refund	408.00	-	408.00	Town Projects
22/05/2024	24-45	Urbarser Ltd - Community Caretaker April 2024	712.72	142.54	855.26	Community Caretaker
22/05/2024	24-46	Urbarser Ltd - repairs to Bandstand area	1,006.71	201.34	1,208.05	Bandstand
28/05/2024	CCR24-14	Adobe Software	101.10	20.22	121.32	Licences
28/05/2024	BP	Net Pay May 2024	13,801.76	-	13,801.76	Staffing - Salaries
29/05/2024	DD	New Star Networks	367.82	73.56	441.38	IT
29/05/2024	CCR24-13	Post Office Ltd	5.80	-	5.80	Printing, Postage & Stationery

**Total** 351,015.57 3,230.84 354,246.41

INTENTIONALLY BLANK

Bank Ref: 1205	Date To: 29/04/2024
Bank Name: HSBC	Statement Ref: 1205 2024-04-23 01
Currency: Pound Sterling	

Balance as per cash book at 29/04/2024: 522,805.60

Add: Unpresented Payments

Tran No	Date	Ref	Details	£
<hr/>				<u>0.00</u>

Less: Outstanding Receipts

Tran No	Date	Ref	Details	£
<hr/>				<u>0.00</u>

Reconciled balance : 522,805.60

Balance as per statement : 522,805.60

Difference : 0.00

**3 April to 2 May 2024**

## Your Statement

**Account Name**  
 Penrith Town Council

**Sortcode Account Number Sheet Number**  
XXXXXXXXXX 230

### Your BUSINESS CURRENT ACCOUNT details

<i>Date</i>	<i>Payment type and details</i>	<i>Paid out</i>	<i>Paid in</i>	<i>Balance</i>
	<b>BALANCE BROUGHT FORWARD</b>			<b>523,006.92</b>
	BP Gail Little			
	PTC April 01	80.00		522,926.92
29 Apr 24	VIS INT'L 0003512944			
	Adobe			
	ADOBE.LY/BILL	121.32		522,805.60
02 May 24	VIS AMAZON* 204-477820			
	LONDON	135.48		
	CR CCLA Investment Ma			
	PS3078714, PENRITH		2,486.76	525,156.88
02 May 24	<b>BALANCE CARRIED FORWARD</b>			<b>525,156.88</b>

### Information about the Financial Services Compensation Scheme

Most deposits made by HSBC Business customers are eligible for protection under the Financial Services Compensation Scheme (FSCS). For further information about the compensation provided by the FSCS, refer to the FSCS website at [fscs.org.uk](http://fscs.org.uk), call into your nearest branch or call your telephone banking service. Further details can be found on the FSCS Information Sheet and Exclusions List which is available on our website ([hsbc.co.uk/fscs/](http://hsbc.co.uk/fscs/)).

<b>Credit Interest Rates</b>	<i>balance</i>	<i>AER</i> <i>variable</i>	<b>Debit Interest Rates</b>	<i>balance</i>	<i>EAR</i> <i>variable</i>
Credit interest is not applied			Debit interest		21.34%

Bank Ref: 1205	Date To: 31/05/2024
Bank Name: HSBC	Statement Ref: 1205 2024-06-03 01
Currency: Pound Sterling	

Balance as per cash book at 31/05/2024: 180,313.27

Add: Unpresented Payments

Tran No	Date	Ref	Details	£
<hr/>				<u>0.00</u>

Less: Outstanding Receipts

Tran No	Date	Ref	Details	£
<hr/>				<u>0.00</u>

Reconciled balance : 180,313.27

Balance as per statement : 180,313.27

Difference : 0.00

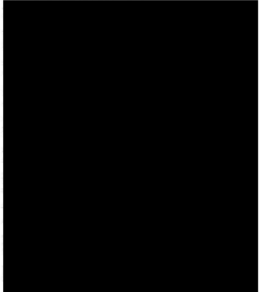
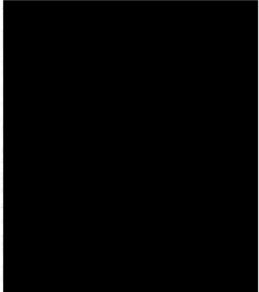
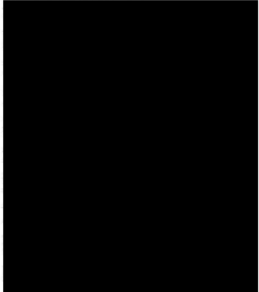
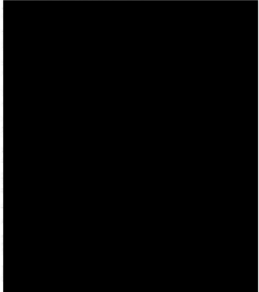
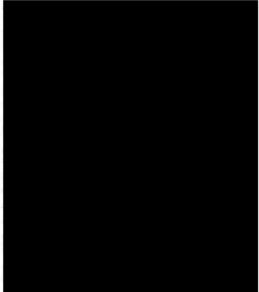
**3 May to 2 June 2024**

## Your Statement

**Account Name**  
 Penrith Town Council

**Sortcode Account Number Sheet Number**  
XXXXXXXXXX 233

### Your BUSINESS CURRENT ACCOUNT details

<i>Date</i>	<i>Payment type and details</i>	<i>Paid out</i>	<i>Paid in</i>	<i>Balance</i>
	<b>BALANCE BROUGHT FORWARD</b>			<b>191,015.05</b>
	BP 	1,837.31		
	BP 	3,549.80		
	BP 	549.87		
	BP 	1,516.60		
	BP 	2,679.70		
	VIS INT'L 0030112754 Adobe ADOBE.LY/BILL	121.32		180,760.45
29 May 24	DD NEW STAR NETWORKS	441.38		180,319.07
30 May 24	))) POST OFFICE COUNT PENRITH	5.80		180,313.27
02 Jun 24	<b>BALANCE CARRIED FORWARD</b>			<b>180,313.27</b>

### Information about the Financial Services Compensation Scheme

Most deposits made by HSBC Business customers are eligible for protection under the Financial Services Compensation Scheme (FSCS). For further information about the compensation provided by the FSCS, refer to the FSCS website at [fscs.org.uk](http://fscs.org.uk), call into your nearest branch or call your telephone banking service. Further details can be found on the FSCS Information Sheet and Exclusions List which is available on our website ([hsbc.co.uk/fscs/](http://hsbc.co.uk/fscs/)).

<b>Credit Interest Rates</b>	<i>balance</i>	<i>AER</i> <i>variable</i>	<b>Debit Interest Rates</b>	<i>balance</i>	<i>EAR</i> <i>variable</i>
Credit interest is not applied			Debit interest		21.34%

# FINANCE COMMITTEE

**Date: 24 June 2024**

## **Public Report**

**Matter: Budgetary Control Statement 2024-25, Expenditure to 31 May 2024**

**Item no: 08**

**Author:** Responsible Finance Officer

**Supporting Member:** Cllr. Shepherd, Chair of Finance Committee

### **Purpose of Report:**

To consider the budgetary control statement for the two-month period to 31 May 2024.

### **Recommendations:**

The Committee is recommended to approve the budgetary control statement and forward it, with any comments, to Council for ratification.

### **Law and Legal Implications**

The Town Council resolved from 15 May 2023, until the next relevant Annual Meeting of the Council, that having met the conditions of eligibility as defined in the Localism Act 2011 and SI 965 The Parish Councils (General Power of Competence) (Prescribed Conditions) Order 2012, to adopt the General Power of Competence.

The Local Government Act 1972 requires the Council to have sound financial management.

## **1. Report Details**

### **A. 2023-24 Outturn Statement: Income and Expenditure Account (Appendix A)**

The attached outturn statement shows the following information, analysed over the most detailed budget headings:

- The actual outturn figures for the preceding financial year 2023-24, for reference only.
- The full year's Approved Budget for 2024-25, which was ratified by Council on 29 January 2024.
- Actual outturn income and expenditure to 31 May 2024, based on the matching principle, which means taking account of all income and expenditure which relates to the period, irrespective of when it is received/paid.

- The variance between the actual outturn income and expenditure and the profiled latest budget for the period. Variances are expressed as favourable (positive) where there was an underspending or increased income, and as adverse (negative and bracketed) where there was an overspending or reduced income.
- The position and transactions on the Council's reserves: its General, Devolution and Election Reserves.

## **B. Commentary**

The statement shows underspendings on a number of budget headings, which is to be expected at this early stage in the year. The following comments concentrate on unusual or unexpected variances.

### **B.1 Income**

Overall income of £88,548 exceeds the profiled budget of £86,396 by £2,152.

- The investment income returns are higher than expected due to the higher than budgeted rates of interest.

### **B.2 Planning Committee**

There has been very little expenditure this early in the year.

### **B.3 Communities Committee**

Net spend of £12,046 is shown against the budget of £18,333, an underspending of £6,287.

This underspend should reduce later in the year due to anticipated increases in expenditure for items such as branding and marketing and planning.

### **B.4 Finance Committee**

Net expenditure of £67,175 is shown against the budget of £74,905, an underspending of £7,730.

This underspend is expected to be reduced as the year progresses.

### **B.5 Total Expenditure & Increase/(Decrease) in General Reserve**

- The individual variances result in an underspending of £16,934 against the profiled total expenditure budget of £96,238. As there is £2,125 more income, there is a net variation of £19,086 on the profiled amount transferrable to the General Reserve.

### **B.6 Reserves**

- The General Reserve is profiled to decrease by £9,842 in the period, it has actually increased by £9,244 to £19,086.
- The Devolution Reserve opened the year with a balance of £174,405, the amount of £3,796 transferrable into the Devolution Reserve is £589 higher than profile.



- The Election Reserve opened the year with a balance of £35,000, an amount of £5,000 is budgeted to be added at the end of the financial year.

## **C. Balance Sheet (Appendix B)**

Appendix B shows the Council's balance sheet as at 31 May 2024. The following points may be noted:

- Investments with two organisations total £968,353, with the majority being held in the CCLA Public Sector Deposit Fund. An amount of £300,000 was transferred from the HSBC account to the CCLA account after the receipt of the annual precept in April.
- The VAT Debtor of £3,231 represents May's transactions and has been reclaimed from HMRC.
- Prepayments of £15,605 include adjustments for insurance, office rent, IT support agreements, and licences and subscriptions.
- The Cash at Bank balance of £180,313 is held at HSBC.
- Accruals of £13,366 comprise of goods and services received by 31 May, but unpaid at that date.
- The Receipts in Advance figure represents income for the period 1 June 2024 to 31 March 2025 already received from Westmorland and Furness Council as precept and grants, together with monies from United Utilities for planting maintenance.

## **D. Conclusion**

The budgetary control statement shows that net spending to 31 May 2024 was around £17,000 below the Latest Budget for the period. It is often the case to see an underspend at this early stage in the year and it is too soon to predict any trends for future months.

Finally, there are no issues arising from the Council's balance sheet at 31 May 2024.

## **2. Options Analysis including risk assessment**

### **Risk & Consequences**

The Council may fail to receive expected income or may incur unexpected overspending, potentially leading to the curtailment of planned expenditure.

Adverse criticism of over or underspending.

### **Controls Required**

A sound budgetary control system with regular reporting and identification of issues.

## **3. Financial and Resource Implications**

This report is concerned solely with financial management.

#### **4. Equalities Implications**

There are no equalities implications associated with this report.

#### **5. Climate Change and Environmental Implications**

There are no climate and environmental implications associated with this report.

#### **6. Legal Implications**

There are no legal implications arising from this report.

### **Appendices**

Appendix A – Budgetary Control Statement Two Months Ended 31 May 2024.

Appendix B – Balance Sheet as at 31 May 2024.

### **Background Papers**

- Transaction and trial balance reports from the Sage accountancy system
- Budgetary Control working papers.



## Penrith Town Council

### BUDGETARY CONTROL STATEMENT:TWO MONTHS ENDED 31 MAY 2024

Actual 2023-24	Approved Budget 2024-25	Heading	Budget to Date	Actual to Date	Favourable/ (Adverse) Variance
£	£		£	£	£
		<b>INCOME</b>			
		<b>Precept:</b>			
468,295	487,735	Council Tax	81,289	81,289	0
7,642	7,642	<b>CTRS Grant</b>	1,274	1,274	0
		<b>Other Income:</b>			
36,126	23,000	Investment Income	3,833	5,985	2,152
<b>512,063</b>	<b>518,377</b>	<b>TOTAL INCOME</b>	<b>86,396</b>	<b>88,548</b>	<b>2,152</b>
		<b>EXPENDITURE</b>			
		<b>PLANNING COMMITTEE:</b>			
324	15,000	Planning Consultancy	2,500	83	2,417
<b>324</b>	<b>15,000</b>	<b>Planning Committee Total</b>	<b>2,500</b>	<b>83</b>	<b>2,417</b>
		<b>COMMUNITIES COMMITTEE:</b>			
3,000	15,000	Climate Change	2,500	34	2,466
20,259	30,000	Town Projects	5,000	3,156	1,844
4,327	10,000	Arts & Culture Development	1,667	2,880	(1,213)
		<b>Grants:</b>			
12,853	20,000	Grants	3,333	2,500	833
14,965	20,000	Signature Grants	3,333	0	3,333
27,818	40,000		6,666	2,500	4,166
8,551	15,000	Corporate Communications	2,500	3,476	(976)
<b>63,955</b>	<b>110,000</b>	<b>Communities Committee Total</b>	<b>18,333</b>	<b>12,046</b>	<b>6,287</b>

Actual 2023-24	Approved Budget 2024-25	Heading	Budget to Date	Actual to Date	Favourable/ (Adverse) Variance
£	£		£	£	£
		<b>FINANCE COMMITTEE:</b>			
		<b>Staffing:</b>			
250,733	252,873	Salaries	42,146	37,621	4,525
24,583	24,760	National Insurance	4,127	3,693	434
52,474	54,365	LG Pension Scheme	9,061	9,113	(52)
567	500	Recruitment Expenses	83	0	83
735	600	Staff Training	100	0	100
0	200	Conferences	33	0	33
64	500	Staff Expenses	83	0	83
329,156	333,798		55,633	50,427	5,206
		<b>Accommodation:</b>			
7,500	7,500	Rent	1,250	1,250	0
3,009	4,500	Heat, Light & Water	750	250	500
2,232	2,520	Service Charges	420	303	117
1,415	1,730	Room Hire & Meetings	288	664	(376)
390	380	Insurances	63	65	(2)
14,546	16,630		2,771	2,532	239
		<b>Civic Functions:</b>			
20	400	Civic Functions	67	0	67
700	700	Mayoral Expenses	117	0	117
300	300	Deputy Mayor's Expenses	50	0	50
486	200	Civic Regalia	33	0	33
1,506	1,600		267	0	267
		<b>Cost of Democracy:</b>			
30	100	Annual Meeting	100	65	35
0	0	Elections	0	0	0
536	1,000	Members' Training	167	146	21
0	100	Members' Expenses	17	0	17
102	200	Notice/Honours Board	33	0	33
668	1,400		317	211	106
22,375	22,000	<b>IT</b>	3,667	2,926	741
		<b>Devolved Services:</b>			
2,577	1,200	Allotments	(175)	(474)	299
1,290	100	War Memorial	17	0	17
2,968	2,000	Benches	333	0	333
1,161	3,500	Bus Shelters	583	53	530
884	1,750	Bandstand	292	1,301	(1,009)
434	800	Musgrave Monument	133	70	63
8,425	6,000	Fairhill Park	1,000	1,053	(53)
1,914	3,700	Thacka Beck Field	617	499	118
178	300	Signage, etc	50	0	50
8,902	10,000	Community Caretaker	1,667	1,426	241
17,611	16,994	Contribution to/(from) Devolution Reserve	3,207	3,796	(589)
46,344	46,344		7,724	7,724	0
		<b>Other Overheads:</b>			
3,169	3,700	Printing, Postage & Stationery	617	234	383
1,781	1,450	Audit Fees	242	289	(47)
3,418	4,680	Insurance	780	626	154
285	180	Bank Charges & Interest	30	16	14
4,310	4,100	Accountancy Fees	683	1,165	(482)
2,116	6,150	Legal & Professional Fees	1,025	181	844
1,488	1,400	Licences	233	289	(56)
3,171	3,500	Subscriptions	583	555	28
106	2,000	Repairs & Renewals	333	0	333
19,844	27,160		4,526	3,355	1,171
<b>434,439</b>	<b>448,932</b>	<b>Finance Committee Total</b>	<b>74,905</b>	<b>67,175</b>	<b>7,730</b>

Actual 2023-24	Approved Budget 2024-25	Heading	Budget to Date	Actual to Date	Favourable/ (Adverse) Variance
£ 0	£ 3,000	Contingency	£ 500	£ 0	£ 500
5,000	5,000	Transfer to/(from) Election Reserve	0	0	0
<b>503,718</b>	<b>581,932</b>	<b>TOTAL EXPENDITURE</b>	<b>96,238</b>	<b>79,304</b>	<b>16,934</b>
<b>8,345</b>	<b>(63,555)</b>	<b>INCREASE/(DECR) IN GENERAL RESERVE</b>	<b>(9,842)</b>	<b>9,244</b>	<b>19,086</b>
		<b>RESERVES:</b>			
		<b>General Reserve:</b>			
498,886	479,530	Balance brought forward 1 April 2024	479,530	507,231	27,701
8,345	(63,555)	Increase/(decrease) in year	(9,842)	9,244	19,086
<b>507,231</b>	<b>415,975</b>	<b>Balance carried forward</b>	<b>469,688</b>	<b>516,475</b>	<b>46,787</b>
		<b>Devolution Reserve:</b>			
156,794	175,288	Balance brought forward 1 April 2024	175,288	174,405	(883)
17,611	16,994	Contribution from/(to) 2024-25 Budget	3,207	3,796	589
<b>174,405</b>	<b>192,282</b>	<b>Balance carried forward</b>	<b>178,495</b>	<b>178,201</b>	<b>(294)</b>
		<b>Election Reserve:</b>			
30,000	30,000	Balance brought forward 1 April 2024	35,000	35,000	0
5,000	5,000	Contribution from/(to) 2024-25 Budget	0	0	0
<b>35,000</b>	<b>35,000</b>	<b>Balance carried forward</b>	<b>35,000</b>	<b>35,000</b>	<b>0</b>
<b>716,636</b>	<b>643,257</b>	<b>TOTAL RESERVES</b>	<b>683,183</b>	<b>729,676</b>	<b>46,493</b>



## Penrith Town Council

BALANCE SHEET AS AT 31 MAY 2024

	£	£
<b>Investments</b>		
Penrith Building Society	88,353	
CCLA Public Sector Deposit Account	<u>880,000</u>	
		968,353
<b>Current Assets</b>		
Debtors	3,930	
Debtor - VAT	3,231	
Prepayments	15,605	
HSBC Bank Account	<u>180,313</u>	
	203,079	
<b>Current Liabilities</b>		
Creditors	0	
Accruals	13,366	
Payroll Control	10,734	
Receipts in Advance	<u>417,656</u>	
	441,756	
<b>Net Current Assets</b>		(238,677 )
		<u><b>729,676</b></u>
<b>Represented by:</b>		
<b>Reserves</b>		
General Reserve		516,475
Devolution Reserve		178,201
Election Reserve		35,000
		<u><b>729,676</b></u>

<b>Budgetary Management and Control</b>				
<b>ACTIVITY &amp; PARTNERS</b>	<b>PTC Colleague</b>	<b>DETAILS</b>	<b>TARGETS</b>	<b>Date Due</b>
Payments Schedule and Bank Reconciliation.	Ian / John	Prepare Payments for Approval information for two nominated Members prior to each Committee. Prepare Payments Report for each month. Prepare Monthly Bank Reconciliation	To give members and the wider public greater awareness of the financial controls within the Council.	Finance Committee June 24 Sept 24 Nov 24 Jan 25 Mar 25 Apr 25
Budget Monitoring Statement.	Ian / John	Prepare Budget Monitoring Statement for each Committee.	To give members and the wider public greater awareness of the financial management and up to date position within the Council.	Finance Committee June 24 Sept 24 Nov 24 Jan 25 Mar 25 Apr 25
Management of Internal Audit.	Ian / John / Jean	Ensure effective arrangements for internal audit.	Prepare Internal Audit Outline Plan Internal Audit Interim Report to 31/12/24 Final Internal Audit Report to 31/03/25 Review of Effectiveness of Internal Audit and Appointment of Internal Auditor 25/26	Sept 24 Dec 24 Apr 25 Apr 25

<b>Risk Management, Insurance and Banking</b>				
<b>ACTIVITY &amp; PARTNERS</b>	<b>PTC Colleague</b>	<b>DETAILS</b>	<b>TARGETS</b>	<b>Date Due</b>
Risk Assessments	Ian / John	Review Corporate Risk Assessments	Review Corporate Risk Assessments and record actions arising from each one.  Put actions in to place and implement as required.	Sept 24  Ongoing
Insurance Review	Ian / John	Review Annual Insurance Policy	Review items and values insured  Insurance renewed	Jan 25  May 25
Review and Update Asset Register	Ian / Jon	Maintain asset register	Maintain an up-to-date Asset Register	Ongoing
Banking	Ian / John	Ensure suitable arrangements are in place for Banking and Investments	Update account signatories.  Monitor investments with the CCLA and ensuring sufficient funds available in current account.	ASAP  Ongoing



<b>Annual Budget Preparation, Precept and Annual Return</b>				
<b>ACTIVITY &amp; PARTNERS</b>	<b>PTC Colleague</b>	<b>DETAILS</b>	<b>TARGETS</b>	<b>Date Due</b>
Prepare 2025-26 Annual Budget and Precept	Ian / John Carol, Ros, Lewis, Paul	To follow a process to agree a Budget for 2025-26 and Precept	Set out budget process in a report to Finance Committee.  Invite Growth Items.  Budget Prospects and input from Finance Working Group.  Prepare Draft Budget for Finance WG.  Staff Salaries 25-26 to Committee.  Final Draft Proposed Budget 25/26 to Finance Committee.  Proposed Budget to Full Council 25/26.  Precept Request submitted to W&F	Sept 24  Oct 24  Nov 24  Dec 24  Jan 25  Jan 25  Jan 25  Feb 25
Practitioners Guide		Review of documents to support the Annual Return	Review and adopt the provisions in the Practitioners Guide for 2023/24	Apr 25
Review of Internal Control	Ian / John		Review the effectiveness of Internal Control Provision	Apr 25
Annual Return	Ian / John	Annual Return AGAR	Finance Outturn 31 March 25  AGAR Forms and Accounting Statements  Documents for AGAR, External Audit	Apr 25  Apr 25  May 25

<b>Review of Council Policy</b>				
<b>ACTIVITY &amp; PARTNERS</b>	<b>PTC Colleague</b>	<b>DETAILS</b>	<b>TARGETS</b>	<b>Date Due</b>
To review Council Policy Documents	Ian / John / Paul	To review Council Policy Documents at Finance Committee	Complaints Policy and Procedure Financial Regulations Bandstand Hire Policy Risk Management Policy Procurement Policy Gifts and Hospitality Disclosure and Barring Services Policy Freedom of Information Publication Scheme Social Media Standing Orders Data Management Policies System of Internal Control Reserves Policy Investment Policy Co-option Policy Asset Valuation Policy	June 24 June 24 Sept 24 Sept 24 Sept 24 Sept 24 Sept 24 Nov 24 Nov 24 Nov 24 Nov 24 Nov 24 Jan 25 Jan 25 Jan 25 Mar 25 Mar 25

<b>Assets</b>				
<b>ACTIVITY &amp; PARTNERS</b>	<b>PTC Colleague</b>	<b>DETAILS</b>	<b>TARGETS</b>	<b>Date Due</b>
Grounds Maintenance Contract	Ian	Monitoring of Contract	Monitoring of Contract Regular meetings with Lowther	Ongoing Ongoing
Allotments	Ian	Maintaining a relationship with PAA.	Attend meetings with PAA as required. Undertake asset inspections for areas of Council responsibility. Receive income (lease)	Ongoing Regular Apr 24
Community Caretaker Contract	Ian / John	Maintain asset register	Monitoring of Contract Regular meetings with Urbaser	Ongoing Ongoing
Service Schedule	Ian / Viv / John	Maintenance and Upkeep of Council Assets	Office PAT Test Musgrave Monument Condition Survey Insurance Asset Cost Assessment Report Tree Liability Survey (Thacka) Review IT service provision Clock Service (Musgrave Monument) Annual Play Inspection Report (Fairhill) Ladder / Latchway Safety Inspection (Musgrave Monument) Fire Extinguisher Service	July 24 July 24 July 24 Aug 24 Oct 24 Oct 24 Dec 24 Feb 25 Mar 25

<b>Assets</b>				
<b>ACTIVITY &amp; PARTNERS</b>	<b>PTC Colleague</b>	<b>DETAILS</b>	<b>TARGETS</b>	<b>Date Due</b>
St Andrews War Memorial	Ian	Installation of sandstone plinth	Formal consents from Diocese of Carlisle Order and installation	June 24 August 24
Bus Shelter – Scaws	Ian	Installation of new Bus Shelter	Consents and quotations Installation in partnership with W&F Highways	Ongoing Autumn 24
Thacka Field – Path	Ian / John	Consideration for a step free path from Thacka Beck Field on to Tynefield Drive	Assess the feasibility in partnership with W&F Costs and scheme development Report to Finance Committee scheme and cost implications. Installation	June 24 Summer 24 Sept 24 TBA



INTENTIONALLY BLANK



# Penrith Town Council

## Financial Regulations

## Contents

1. General .....	2
2. Accounting and audit (internal and external) .....	4
3. Annual budget and forward financial planning.....	5
4. Orders for work, goods, and services .....	6
5. Budgetary control and authority to incur expenditure.....	7
6. Banking arrangements and authorisation of payments .....	8
7. Making and approval of payments.....	8
8. Payment of salaries.....	11
9. Loans and investments.....	12
10. Income.....	13
11. Contracts.....	14
12. Payments under contracts for building or other construction works. .	16
13. Assets, properties, and estates .....	16
14. Insurance .....	17
15. Stores and Equipment .....	17
16. Risk management .....	18
17. Revision & Suspension of Financial Regulations .....	18
<b>Appendices</b> .....	Error! Bookmark not defined.
<b>Scheme of Delegation of Financial Responsibility for Spending &amp; Signatories</b> .....	19
<b>Debit And Credit Card Policy</b> .....	20
<b>Reserves Policy</b> .....	23
<b>Investment Strategy 2023-24</b> .....	Error! Bookmark not defined.



## 1. General

- 1.1 These financial regulations govern the conduct of financial management by the Council and may only be amended or varied by resolution of the Council. Financial regulations are one of the Council's three governing policy documents providing procedural guidance for Councillors and officers. Financial regulations must be observed in conjunction with the Council's standing orders and any individual financial regulations relating to contracts.
- 1.2 The Council is responsible in law for ensuring that its financial management is adequate and effective and that the Council has a sound system of internal control which facilitates the effective exercise of the Council's functions, including arrangements for the management of risk.
- 1.3 The Council's accounting control systems must include measures:
  - a. Ensure that risk is appropriately managed
  - b. Ensure the prompt, accurate recording of financial transactions
  - c. Prevent and detect inaccuracy or fraud
  - d. Allow the reconstitution of any lost records
  - e. Identifying the duties of officers dealing with transactions.
  - f. Ensure division of responsibilities.
- 1.4 These financial regulations demonstrate how the Council meets these responsibilities and requirements.
- 1.5 At least once a year, prior to approving the Annual Governance Statement, the Council must review the effectiveness of its system of internal control which shall be in accordance with proper practices.
- 1.6 Deliberate or wilful breach of these Regulations by an employee may give rise to disciplinary proceedings.
- 1.7 Councillors are expected to follow the instructions within these Regulations and not to entice employees to breach them. Failure to follow instructions within these Regulations brings the office of Councillor into disrepute.
- 1.8 The Responsible Financial Officer (RFO) holds a statutory office to be appointed by the Council. The Council employs external accountants who are responsible for processing payroll and making all payments for the Council, together with hosting the Council's accounting software. These Regulations shall apply equally to the accountants.
- 1.9 The RFO assisted by the external accountants:
  - a. Acts under the policy direction of the Council.
  - b. Administers the Council's financial affairs in accordance with all acts, regulations, and proper practices.
  - c. Determines on behalf of the Council its accounting records and accounting control systems.
  - d. Ensures the accounting control systems are observed.
  - e. Maintains the accounting records of the Council up to date in accordance with proper practices.

- f. Assists the Council to secure economy, efficiency, and effectiveness in the use of its resources.
  - g. Produces financial management information as required by the Council.
- 1.10 The accounting records determined by the RFO shall be sufficient to show and explain the Council's transactions and to enable RFO to prepare all required financial information in accordance with the Accounts and Audit Regulations and proper practice.
- 1.11 The accounting records shall, in particular, contain:
- a. Entries from day to day of all sums of money received and expended by the Council and the details relating to those transactions.
  - b. A record of the assets and liabilities of the Council.
  - c. Wherever relevant, a record of the Council's income and expenditure in relation to claims made, or to be made, for any contribution, grant or subsidy.
- 1.12 The accounting control systems determined by the RFO shall include:
- a. Procedures to ensure that the financial transactions of the Council are recorded as soon as reasonably practicable and as accurately and reasonably as possible.
  - b. Procedures to enable the prevention and detection of inaccuracies and fraud and the ability to reconstruct any lost records.
  - c. Identification of the duties of officers dealing with financial transactions and division of responsibilities of those officers in relation to significant transactions (separation of duties).
  - d. Procedures are in place to ensure that uncollectable amounts, including any bad debts are not submitted to Council for approval to be written off without the opinion and approval of the RFO and that the approvals are shown in the accounting records measures to ensure that risk is properly managed.
- 1.13 The Council is not empowered by these Regulations or otherwise to delegate certain specified decisions. Any decision regarding:
- a. Setting the final budget or the precept (Council tax requirement).
  - b. Approving accounting statements.
  - c. Approving an annual governance statement.
  - d. Borrowing.
  - e. Writing off bad debts exceeding £5,000.
  - f. Declaring eligibility for the General Power of Competence.
  - g. Addressing recommendations in any report from the internal or external auditors.
- 1.14 In addition, the Council ~~must~~ shall:
- a. Determine and keep under regular review the bank mandate for all Council bank accounts.
  - b. Approve any grant or a single commitment more than £25,000.

- c. In respect of the annual salary for any employee, have regard to recommendations about annual salaries of employees made by the relevant Committee in accordance with its terms of reference.
- 1.15 In these financial regulations, references to the Accounts and Audit Regulations or 'the regulations' shall mean the regulations issued under the provisions of the Local Audit and Accountability Act 2014, or any superseding legislation, and then in force unless otherwise specified. In these Financial Regulations the term 'proper practice' or 'proper practices' shall refer to guidance issued in Governance and Accountability for Local Councils– a Practitioners' Guide (England) issued by the Joint Practitioners Advisory Group (JPAG), available from the websites of NALC and the Society for Local Council Clerks (SLCC).

## **2. Accounting and audit (internal and external)**

- 2.1 All accounting procedures and financial records of the Council shall be determined by the RFO in accordance with the Accounts and Audit Regulations, appropriate Guidance, and proper practices.
- 2.2 Satisfactory monthly bank reconciliations shall be produced promptly by the RFO. At each meeting of the Finance Committee, the most recent monthly bank reconciliation(s), supported by the appropriate bank statement, shall be reviewed by the Committee and both documents signed by the Committee Chair. The approval of the reconciliations shall be recorded in the minutes of the meeting.
- 2.3 The RFO shall complete the annual income and expenditure account, Annual Governance and Accountability Return, and any related documents required with the Return (as specified in proper practices) as soon as practicable after the end of the financial year and, having certified the accounts, shall submit them and report thereon to the Council within the timescales set by the Accounts and Audit Regulations.
- 2.4 The Council shall ensure that there **is a sound system of internal control, which delivers effective financial, operational and risk management.**
- 2.5 The Council shall ensure that there is an adequate and effective system of internal audit. of its accounting records and of its system of internal control, in accordance with proper practices.
- 2.6 Any officer or Councillor shall make available such documents and records as appear to the Council to be necessary for the purpose of the audit and shall, as directed by the Council, supply the RFO, external accountants, internal auditor, or external auditor with such information and explanation as the Council considers necessary for that purpose.
- 2.7 The internal auditor shall be appointed by and shall carry out the work in relation to internal controls required by the Council in accordance with proper practices.
- 2.8 The internal auditor shall:

- a. Be competent and independent of the financial operations of the Council.
  - b. Report to Council in writing, or in person, on a regular basis with a minimum of one annual written report during each financial year.
  - c. Demonstrate competence, objectivity and independence, be free from any actual or perceived conflicts of interest, including those arising from family or professional relationships.
  - d. Have no involvement in the financial decision making, management or control of the Council.
- 2.9 Internal or external auditors may not under any circumstances:
- a. Perform any operational duties for the Council.
  - b. Initiate or approve accounting transactions.
  - c. Direct the activities of any Council employee, except to the extent that such employees have been appropriately assigned to assist the auditor.
- 2.10 Where the internal auditor identifies any issue or irregularity which cannot be explained satisfactorily, he/she shall have direct access to the Chair of the Council to raise and discuss the matter.
- 2.11 For the avoidance of doubt, in relation to internal audit the terms 'independent' and 'independence' shall have the same meaning as is described in proper practices.
- 2.12 The RFO shall arrange for the exercise of electors' rights in relation to the annual accounts, including the opportunity to inspect the accounts, books and vouchers, and display or publish any notices and statements of account required by the Local Audit and Accountability Act 2014, the Accounts and Audit Regulations or any superseding legislation.
- 2.13 The RFO shall, without undue delay, bring to the attention of all Councillors any correspondence or report from the internal or external auditors.

### **3. Annual budget and forward financial planning**

- 3.1 Before setting a precept, the council shall 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.
- 3.2 Each Committee shall review its medium-term financial forecast of income and expenditure. Having regard to the forecast, it shall thereafter formulate and submit proposals for the following financial year to the Council not later than the end of November each year, including any proposals for revising the forecast.
- 3.3 The RFO shall, each year, by no later than the end of January, prepare detailed estimates of all expenditure and income, including the use of reserves, and all sources of funding for the following financial year in

the form of a budget to be considered by the Finance Committee and Council.

- 3.4 The salary budgets are to be reviewed during the annual budget process and such review shall be evidenced by a resolution of the Finance Committee. The RFO will inform Committees of any changes impacting on their budget requirement for the coming year in good time.
- 3.5 The Council shall consider annual budget proposals in the context of the Council's medium-term financial forecast, including recommendations for the use of reserves and sources of funding, and update the forecast accordingly.
- 3.6 As part of the budget process, the Council shall approve a Reserves Policy which sets out the purpose and financial limits for each of its financial reserves.
- 3.7 The Council shall set its annual budget and fix the precept (Council tax requirement) and the resulting relevant basic amount of Council tax to be levied for the ensuing financial year not later than by the end of February each year. In setting the budget, the Council shall have regard to the opinion of the RFO concerning the robustness of estimates and the adequacy of reserves. The RFO shall issue the precept to the billing authority and shall supply each Councillor with a copy of the approved annual budget via the relevant agenda. The approved annual budget shall form the basis of financial control for the ensuing year, subject to any amendments authorised by Council.
- 3.8 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 disclose at the start of the meeting that Section 106 applies to them.

#### 4. Orders for work, goods, and services

- 4.1 An official written instruction shall be issued for all work, goods and services over a value of £500 unless a formal contract is to be prepared. Copies of such instructions shall be retained with the appropriate invoice.
- 4.2 Order books shall be controlled by the RFO.
- 4.3 All Councillors and officers are responsible for always obtaining value for money **at all times**. An officer issuing an official instruction shall ensure as far as reasonable and practicable that the best available terms are obtained in respect of each transaction over a value of £500 and up to £15,000, usually by obtaining three or more quotations or estimates from appropriate suppliers, subject to any de minimis provisions in Regulation 11 below.
- 4.4 A Councillor shall not issue an official order or make any contract on behalf of the Council.

## **5. Budgetary control and authority to incur expenditure.**

- 5.1 Authority to spend is recorded within the Scheme of Delegation of Financial Responsibility to Spending Officers (Appendix A). Such authority is to be evidenced by the schedule of payments for approval at the next available meeting.
- 5.2 Contracts may not be disaggregated to avoid controls imposed by these regulations.
- 5.3 No expenditure may be authorised that will exceed the amount provided in the revenue budget for that class of expenditure other than by resolution of the Council. Any report or proposal to a Committee or Council that would result in expenditure exceeding the appropriate budget shall not be considered until it has been reviewed by the RFO and their comments considered in making the decision on the proposal.
- 5.4 During the budget year, the RFO, having considered fully the implications, a supplementary estimate may be allocated from any unspent and available budgets which may be transferred to other budget headings ('virement'); however, no virement shall be permitted from salaries budgets. All proposed budget virements exceeding £25,000 to or from reserves will be reported to Finance Committee for approval and ratified by Full Council.
- 5.5 Unspent budget provisions at the end of a financial year shall be retained in general reserves and shall not be carried forward to a subsequent year. Unspent budgets for uncompleted capital projects may be carried forward following approval of the Town Clerk.
- 5.6 In cases of extreme risk to the delivery of Council services, the Town Clerk may authorise revenue expenditure on behalf of the Council which, in the Clerk's judgement, is strictly necessary where, for reasons of extreme urgency brought about by events unforeseeable by the authority, the time limits for the open or restricted procedures or competitive procedures with negotiation cannot be complied with. For the purposes of this paragraph, the circumstances invoked to justify extreme urgency must not in any event be attributable to the Council. Such expenditure includes repair, replacement, or other work, whether or not there is any budgetary provision for the expenditure, subject to a limit of £25,000.
- 5.7 The Town Clerk shall record such expenditure within the payments schedule and, where there is no budgetary provision for the expenditure, report the expenditure and its purpose in writing to the Council as soon as practicable thereafter.
- 5.8 No expenditure shall be authorised in relation to any capital project and no contract entered into or tender accepted involving capital expenditure unless the Council is satisfied that the necessary funds are available and any necessary borrowing approval has been obtained.
- 5.9 All capital works shall be administered in accordance with the Council's Standing Orders and Financial Regulations relating to contracts.

- 5.10 The RFO shall regularly provide the Council and Committees with a statement of expenditure and income for the financial year to date against each head of the budget, comparing actual expenditure to the appropriate date against the expected proportion of the budget.
- 5.11 Statements are to be prepared at least quarterly and shall show explanations of material variances from budget.
- 5.12 Transfers to and from earmarked reserves shall be approved by Council in accordance with its Reserves Policy.

## **6. Banking arrangements and authorisation of payments**

- 6.1 The Council's banking arrangements, including the bank mandate, shall be made by the RFO, and approved by the Council. Banking arrangements may not be delegated to a committee. The arrangements shall be regularly reviewed for security and efficiency.
- 6.2 Any transfer of monies between bank accounts shall be made by any combination of two officers of the Council -the RFO, Services and Contracts Manager, the Town Clerk, the Deputy Town Clerk and in the absence of one, by a designated Councillor pre-approved by the Full Council.
- 6.3 Relevant budget holders in accordance with the Scheme of Delegation of Financial Responsibility to Spending Officers, or the RFO, or designated officers as appropriate, shall examine invoices for arithmetical accuracy.
- 6.4 All invoices for payment shall be examined, verified and certified by the relevant budget holder in accordance with the Scheme of Delegation of Financial Responsibility to Spending Officers, or the RFO as appropriate, to confirm that the work, goods or services to which each invoice relates has been received.
- 6.5 The RFO or Services and Contracts Manager shall post invoices to the appropriate expenditure heading in the general ledger following authorisation by the RFO or Town Clerk.
- 6.6 **Up to** four officers of the Council and four Members of the Council will be approved account signatories with any combination of 2 people authorised to sign.

## **7. Making and approval of payments**

### **Payment Method**

- 7.1 The Council will make safe and efficient arrangements for the making of its payments. The RFO and Services and Contracts Manager, Town Clerk and Deputy Town Clerk shall have delegated authority to process payments in respect of all authorised items of expenditure as and when, and on a timely basis, to ensure that all invoices are paid in accordance with terms as far as is practicable.

- 7.2 Payments by direct debit will be used where the Council is committed to regular payments, principally for utilities and payments under lease arrangements.
- 7.3 All other payments shall be made through the electronic banking system (EBS), or BACS provided by the Council's current account provider. Only the Council's appointed external accountants shall have the ability to make electronic payments on the Council's behalf. In setting up access to the current account provider's EBS, the Council's bank signatories will direct that the Council's external accountants shall:
- a. Be the System Administrator for the Council's use of the EBS.
  - b. Be the only holder of the current account provider's device, which is required to make an electronic payment.
  - c. Be the only user capable of setting up a new payee.
  - d. Set the Town Clerk, RFO, Services and Contracts Manager as Systems Administrators with access to the EBS except that no ability to make a payment or create a new payee.
- 7.4 The RFO and Services and Contracts Manager and/or Town Clerk shall have delegated authority to process payments via the external accountants in respect of all authorised items of expenditure as and when, and on a timely basis, to ensure that all invoices are paid in accordance with terms as far as is practicable.
- 7.5 In exceptional circumstances where payment is required by cheque, these shall be signed by the RFO, Services and Contracts Manager and/or Town Clerk and in the absence of one, by the Deputy Town Clerk or a pre-approved designated Councillor.
- 7.6 The bank mandate approved by the Full Council shall clearly state the officers authorised to approve transactions and act as signatories.
- 7.7 The bank mandate approved by the Full Council shall clearly state the four Councillors authorised to approve transactions and act as signatories.
- 7.8 Corporate credit and debit cards, and trade card accounts opened by the Council shall be specifically designated to named officers, as approved by the Town Clerk shall be subject to automatic payment in full each month. Refer to Appendix B.

### **Certification of Payments**

- 7.9 All invoices for payment shall be examined, verified and certified manually by an appropriate combination of the Town Clerk/Services and Contracts Manager/ Deputy Town Clerk/RFO and officers with authority to spend to confirm that the work, goods or services to which each invoice relates has been received, carried out, examined and



represents expenditure previously authorised by the RFO or Town Clerk. This includes any amounts paid by direct debit.

- 7.10 The Services & Contracts Manager/Town Clerk/RFO shall examine invoices for arithmetical accuracy and appropriateness and allocate the expenditure to the appropriate budget heading.
- 7.11 The Services & Contracts Manager/Town Clerk/RFO shall ensure that there is budget provision for payment. Where there is no budget provision, the RFO and Town Clerk shall determine how funds should be made available to pay the amount due and make a virement.
- 7.12 The Services & Contracts Manager/Town Clerk/RFO shall then arrange for payment and report payments made to the next available Finance Committee.

### **Setting up new Payees**

- 7.13 The authorisation of an invoice by the RFO or Town Clerk will provide an instruction to set up a new payee.

### **Making Payments**

#### **Direct Debits**

- 7.14 The RFO will instruct the external accountants to set up, or cancel, any required direct debits. The RFO will keep a record of any such instructions and report any newly created direct debits to the next Finance Committee.

#### **Electronic payments**

- 7.15 When the Services & Contracts Manager/Town Clerk/Deputy Town Clerk/ has properly certified payment of an invoice, the external accountants will be instructed to make a payment to the payee. This will be by providing the accountants with a weekly payments schedule and copies of the associated invoices.
- 7.16 The external accountants shall have the authority to challenge any proposed payment which they consider could be fraudulent, unlawful, unauthorised, or inappropriate and raise the issue with the appropriate officer, Chair of the Council, or the Police as they think fit.
- 7.17 Ad hoc payments can be requested where the RFO determines that a payment is urgent. The Services & Contracts Manager/RFO will keep a record of all weekly payment schedules and any ad hoc payments.

#### **Cheque payments**

- 7.18 Any cheque payments must be requested by the RFO and signed by two signatories, who shall also countersign the cheque stub. The requirement for two signatories must be part of the bank mandate. The RFO will keep a record of all cheque payments.

## **Reporting and Approving Payments**

- 7.19 Following production of a satisfactory bank reconciliation, the RFO shall prepare a report of payments made each month, as part of the agenda for each Finance Committee meeting. The report will be produced from the Council's accounting system. All payments on the report shall be supported by appropriate documentation, i.e. invoices etc., which will be provided separately to all Councillors in advance of the Committee meeting.
- 7.20 Prior to the Finance Committee meeting, the report of payments shall be reviewed by two members of the Committee, selected on a rota basis, who shall confirm the accuracy and appropriateness of those payments and recommend their acceptance and approval by the Committee.
- 7.21 The minutes of the Committee shall note its approval of the payments made and refer to the payment period schedule.
- 7.22 Details of all payments shall be placed on the Council's website, once confirmed by the Finance Committee.

## **Personal Payments**

- 7.23 Personal payments (including salaries, wages, expenses, and any payment made in relation to the termination of a contract of employment) may be summarised to remove public access to any personal information.

## **Corporate Credit/ Debit Cards**

- 7.24 Any corporate credit or debit card account opened by the Council will be specifically restricted and shall be subject to automatic payment in full by no later than each month-end. Personal credit or debit cards belonging to members or staff shall not be used under any circumstances. Refer to Appendix B
- 7.25 The RFO shall determine procedures for the recording, reconciliation and reporting to Councillors, of all payments made by means of the corporate debit/credit card.

## **Cash**

- 7.26 The Council shall not maintain any form of cash float. Any payments made in cash by staff (for example for postage or minor stationery items) shall be refunded on a regular basis, at least quarterly.

## **8. Payment of salaries**

- 8.1 As an employer, the Council shall arrange to meet fully the statutory requirements placed on all employers by PAYE and National Insurance legislation. All salaries shall be calculated in accordance with payroll records and the rules of PAYE and National Insurance currently operating, and salary rates shall be as agreed by Council.

- 8.2 The Council's external accountants shall, on instructions from the Town Clerk, calculate, record, and pay all salaries and related costs for Council officers. The accountants shall deal with all relevant correspondence and complete all required forms relating to the Council's payroll and pensions.
- 8.3 Payment of salaries and payment of deductions from salary such as may be required to be made for tax, national insurance and pension contributions, or similar statutory or discretionary deductions shall be made in accordance with the payroll records and on the appropriate dates, stipulated in employment contracts, provided that each payment is reported to the next available Council meeting, as set out in these regulations above.
- 8.4 No changes shall be made to any employee's pay, emoluments, or terms and conditions of employment without the prior consent of the Council.
- 8.5 Each payment to employees of net salary and to the appropriate creditor of the statutory and discretionary deductions shall be recorded in a separate confidential record. This confidential record is not open to inspection or review (under the Freedom of Information Act 2000 or otherwise) other than:
  - a. By any Councillor who can demonstrate a need to know.
  - b. By the internal auditor.
  - c. By the external auditor or
  - d. By any person authorised under the Local Audit and Accountability Act 2014 or any superseding legislation.
- 8.6 The total of such payments in each calendar month shall be reported with all other payments as made as may be required under these Financial Regulations, to ensure that only payments due for the period have been paid.
- 8.7 An effective system of personal performance management should be maintained for the senior officers.
- 8.8 Any termination payments shall be supported by a clear business case and reported to the Council. Termination payments shall only be authorised by Council.
- 8.9 Before employing staff, the Council must consider a full business case.

## **9. Loans and investments**

- 9.1 All borrowings shall be affected in the name of the Council, after obtaining any necessary borrowing approval. Any application for borrowing approval shall be approved by Council as to terms and purpose. The application for Borrowing Approval, and subsequent arrangements for the Loan shall only be approved by Full Council.
- 9.2 Any financial arrangement which does not require formal Borrowing Approval from the Secretary of State (such as Hire Purchase or Leasing of tangible assets) shall be subject to approval by the full Council. In each case a report in writing shall be provided to Council in respect of value for money for the proposed transaction.

- 9.3 All loans and investments shall be negotiated and recorded in the name of the Council and shall be for a set period in accordance with Council policy. Investment decisions made for cash flow purposes shall be determined by the Finance Committee following advice from the RFO, and subsequently reported to Full Council. Authorised signatories for the management of investment accounts shall be determined in the same manner as those for the Council's bank accounts.
- 9.4 During the annual budget process, the Council shall approve an Investment Policy which shall be in accordance with relevant regulations, proper practices, and guidance.
- 9.5 All investment certificates and other documents relating thereto shall be retained in the custody of the RFO.
- 9.6 Payments in respect of short term or long-term investments, including transfers between bank accounts held in the same bank, or branch, shall be made in accordance with Regulation 6 (Authorisation and making of payments).

## **10. Income**

- 10.1 The collection of all sums due to the Council shall be the responsibility of and under the supervision of the 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, who shall be responsible for the collection of all accounts due to the Council.
- 10.3 The Council will review all fees and charges at least annually. Fees and charges to be made for work done, services rendered, or goods supplied shall be reviewed and agreed annually by Full Council, following a report by the Services and Contracts Manager. Charges shall be notified to the RFO and the RFO shall be responsible for the collection of accounts due to the Council.
- 10.4 Any sums found to be irrecoverable and any bad debts shall be reported to the Council, accompanied by an opinion from the RFO, and shall be written off in the year.
- 10.5 All sums received on behalf of the Council shall be banked intact as directed by the RFO. In all cases, all receipts shall be deposited with the Council's bankers with such frequency as the RFO considers necessary.
- 10.6 The origin of each receipt shall be entered on the paying-in slip.
- 10.7 Personal cheques shall not be cashed out of money held on behalf of the Council.
- 10.8 The RFO shall promptly complete any claim for the refund of VAT that is required. Such repayment claims, due in accordance with VAT Act 1994 section 33, shall be made at least quarterly, including the financial year end.

- 10.9 The Council shall not accept the receipt of sums of cash more than £500, nor smaller amounts which have been disaggregated to avoid this limit.
- 10.10 Where any significant sums of cash are regularly received by the Council, the RFO shall determine the steps and reasonable measures to determine the procedures that are adopted when the cash is counted in the first instance, that there is a reconciliation to some form of control, and that appropriate care is taken in the security and safety of individuals banking such cash.

## 11. Contracts

Procedures for contracts are laid down as follows:

- 11.1 Every contract shall comply with these financial regulations and the detailed procedures in the Procurement Policy; no exceptions shall be made otherwise than in an emergency provided that these regulations need not apply to contracts which relate to items i to vi below:
- i. For the supply of gas, electricity, water, sewerage, and telephone services.
  - ii. For specialist services such as are provided by solicitors, accountants, surveyors and planning consultants.
  - iii. For work to be executed or goods or materials to be supplied which consist of repairs to or parts for existing machinery or equipment or plant;
  - iv. For work to be executed or goods or materials to be supplied which constitute an extension of an existing contract by the Council;
  - v. For additional audit work of the external auditor up to an estimated value of £500 (in excess of this sum the RFO shall act after consultation with the chair and vice chair of Council); and
  - vi. For goods or materials proposed to be purchased which are proprietary articles and / or are only sold at a fixed price.
- 11.2 Where the Council intends to procure or award a public supply contract, public service contract or public works contract as defined by The Public Contracts Regulations 2015 ("the Regulations") which is valued at £30,000 including VAT or more, the Council shall comply with the relevant requirements of those Regulations. The Regulations require Councils to use the Contracts Finder website to advertise contract opportunities, set out the procedures to be followed in awarding new contracts and to publicise the award of new contracts.
- 11.3 The full requirements of the 2015 Regulations, as applicable, shall be followed in respect of the tendering and award of a public supply contract, public service contract or public works contract which exceed thresholds in The Regulations set by the Government Procurement Agreement (which may change from time to time).

**11.4 Contracts shall not be split into smaller lots to avoid compliance with these rules.**

- 11.5 When applications are made to waive Financial Regulations relating to contracts to enable a price to be negotiated without competition the reason shall be embodied in a resolution of the Council.
- 11.6 Such invitation to tender shall state the nature of the intended contract and the Clerk shall obtain the necessary technical assistance to prepare a specification in appropriate cases.
- 11.7 The invitation shall in addition state that tenders must be addressed to the Clerk in the ordinary course of post.
- 11.8 Each tendering firm shall be supplied with a specifically marked envelope in which the tender is to be sealed and remain sealed until the prescribed date for opening tenders for that contract.
- 11.9 Where appropriate, tenderers shall be required to obtain a performance bond to protect the Council against a failure to deliver the contract.
- 11.10 All sealed tenders shall be opened at the same time on the prescribed date by the two officers of the Council from the Town Clerk, RFO Services and Contracts Manager and Deputy Town Clerk in the presence of at least one Councillor.
- 11.11 If less than three tenders are received for contracts above £15,000 or if all the tenders are identical the Council may make such arrangements as it thinks fit for procuring the goods or materials or executing the works.
- 11.12 Any invitation to tender issued under this regulation shall be subject to Standing Order 18 and shall refer to the terms of the Bribery Act 2010.
- 11.13 When it is proposed to enter into a contract of £30,000 or less 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 regulation 11.1.
- 11.14 When it is to enter into a contract of less than £30,000 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) officers shall strive to obtain 3 quotations (priced descriptions of the proposed supply); where the value is below £15,000 and above £500. Otherwise, Regulation 4.3 above shall apply.
- 11.15 The Council shall not be obliged to accept the lowest or any tender, quote, or estimate.
- 11.16 All evaluations will be completed fairly, and equitably to all bidders, and it should be subject to any conflict of interest policy the Council to ensure impartiality of decision making.
- 11.17 Should it occur that the Council, or duly delegated committee, does not accept any tender, quote or estimate, the work is not allocated and the Council requires further pricing, provided that the specification does not change, no person shall be permitted to submit a later

tender, estimate or quote who was present when the original decision making process was being undertaken.

11.18 The Council shall publish details of any awarded contract valued over £5,000 on its website.

## **12. Payments under contracts for building or other construction works.**

12.1 Payments on account of the contract sum shall be made within the time specified in the contract by the RFO upon authorised certificates of the architect or other consultants engaged to supervise the contract (subject to the retention of any percentage withheld as may be agreed in the particular contract).

12.2 Where contracts provide for payment by instalments the RFO shall maintain a record of all such payments. In any case where it is estimated that the total cost of work carried out under a contract, excluding agreed variations, will exceed the contract sum of 5% or more a report shall be submitted to the Council.

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

## **13. Assets, properties, and estates**

13.1 The Council's internal solicitor shall make appropriate arrangements for the custody of all title deeds and Land Registry Certificates of properties held by the Council. The solicitor and RFO shall ensure a record is maintained of all properties held by the Council, recording the location, extent, plan, reference, purchase details, nature of the interest, tenancies granted, rents payable and purpose for which held in accordance with Accounts and Audit Regulations.

13.2 No tangible moveable property shall be purchased or otherwise acquired, sold, leased, or otherwise disposed of, without the authority of the Council, together with any other consents required by law, save where the estimated value of any one item of tangible movable property does not exceed £25,000.

13.3 No real property (interests in land) shall be sold, leased or otherwise disposed of without the authority of the Council, together with any other consents required by law, in each case a Report in writing shall be provided to Council in respect of valuation and surveyed condition of the property (including matters such as planning permissions and covenants) together with a proper business case (including an adequate level of consultation with the electorate).

13.4 No real property (interests in land) shall be purchased or acquired without the authority of the full Council. In each case a Report in writing shall be provided to Council in respect of valuation and surveyed condition of the property (including matters such as planning

- permissions and covenants) together with a proper business case (including an adequate level of consultation with the electorate).
- 13.5 Subject only to the limit set in Reg. 13.2 above, no tangible moveable property shall be purchased or acquired without the authority of the full Council. In each case a Report in writing shall be provided to Council with a full business case.
  - 13.6 The Town Clerk/Services & Contracts Manager/RFO shall ensure that all assets for which they are responsible are protected against loss or damaged, maintained appropriately and subject to periodic safety inspections.
  - 13.7 The RFO shall ensure that an appropriate and accurate Register of Assets and Investments is kept up to date. Assets shall be valued in accordance with proper practice and any policy adopted by the Council. 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.

#### **14. Insurance**

- 14.1 Following the annual risk assessment required by Financial Regulation 16, the RFO shall be responsible for effecting all appropriate insurances and shall negotiate all claims on the Council's insurers.
- 14.2 The RFO shall keep a record of all insurances effected by the Council and the property and risks covered thereby and annually review it. He shall also be informed promptly of any new risk, activity or asset for which insurance cover is required.
- 14.3 The RFO shall be notified of any loss, liability or damage, or of any event likely to lead to a claim and shall report these to Council at the next available meeting.
- 14.4 All appropriate Councillors 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, following advice from the RFO.

#### **15. Stores and Equipment**

- 15.1 The officer in charge of each function shall be responsible for the care and custody of any stores and equipment in that function.
- 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 Services and Contracts Manager shall be responsible for periodic checks of stocks and stores at least annually.



## **16. Risk management**

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

## **17. Revision & Suspension of Financial Regulations**

- 17.1 It shall be the duty of the Council to review the Financial Regulations of the Council from time to time. The RFO shall make arrangements to monitor changes in legislation or proper practices and shall advise the Council of any requirement for a consequential amendment to these Financial Regulations.
- 17.2 The Council may, by formal proposal of a 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 drawn up and presented in advance to all Councillors.

### **APPENDICES: 2023-2024 Policies of financial governance**

- A: Scheme of Delegation – Authority to spend and signatories
- B. Debit and Credit Card Policy
- C. Reserves Policy
- D. Investments Policy

**ADOPTED:2015**

**REVIEWED: ANNUALLY**

**AMENDED:2024**

## **Scheme of Delegation of Financial Responsibility for Spending & Signatories**

This Council delegates spending responsibilities to certain officers, and with certain limits. This list has recently been reviewed and is as follows:

<b>Officer</b>	<b>Limit</b>
Town Clerk Account signatory	Any expenditure that is within the budgets approved by Full Council
Responsible Finance Officer Account signatory	Any expenditure that is within the budgets approved by Full Council
Services & Contracts Manager Account signatory	Any expenditure that is within the budgets approved by Full Council
Solicitor	Any expenditure that is within the budgets approved by Full Council
Deputy Town Clerk Account signatory	Any expenditure that is within the budgets approved by Full Council
Community Services Officer	Any expenditure that is within the budgets approved by Full Council
Economic Development Officer	Any expenditure that is within the budgets approved by Full Council
Sustainability Officer	Any expenditure that is within the budgets approved by Full Council

Where an authorisation would result in an individual budget being overspent then the necessary virement should be approved and actioned before authorisation takes place by the RFO and Town Clerk.

1. It is an expressed requirement of this Protocol that all Officers abide by the following:
  - a) Standing Orders
  - b) Financial Regulations.
  - c) Procurement Strategy particularly in respect of the threshold figures for seeking quotations.
  - d) Any expenditure must be authorised from an approved budget.
  - e) Any leasing of equipment can only be entered into with the specific approval of the Responsible Financial Officer or the Town Clerk.
2. Any breach of any aspect of this Protocol will lead to action under the Disciplinary Procedure.

**ADOPTED:2015**

**REVIEWED: ANNUALLY**

**AMENDED:2024**

## Debit And Credit Card Policy

Wherever possible an order should be made and paid for with an invoice. However, it is recognised that this may not always be the most efficient option in relation to low value spend and so, the use of debit and cards is permitted but must only be used to acquire goods and services for approved Council business.

This policy is intended to provide detailed guidance and assistance in obtaining and using Penrith Town Council debit and credit cards, and describes the responsibilities and restrictions which cardholders must accept before being provided with any such card.

Any attempt by the cardholder to make changes to the Councils terms and conditions of the card or the associated bank account will be treated as a disciplinary offence.

### **1. Obtaining Cards**

- a) All cards are issued for the sole purpose of facilitating the conducting of Council business that cannot be paid for by invoice.
- b) Debit and credit cards must only be used by the authorised signatory named on the card and must not be used by any other person.

### **2. Use of Cards**

- a) Cards can be used for on-line and point of sale transactions in accordance with this policy document, within the pre-defined limits of the accounts.
- b) A receipt must be obtained and provided, together with an expense sheet, to the Town Clerk.
- c) The cardholder must ensure that the correct amount is received at the point of receipt and register any discrepancies with the bank/store immediately, or the following working day if out of normal business hours.
- d) If any purchase contains any charges for VAT, a proper VAT receipt or invoice should be obtained.
- e) Transactions and supporting documents (such as receipts) must be kept for a period of six years plus the current financial year by the relevant department for audit and HMRC purposes.
- f) Payments made via debit card are limited to the cleared funds available in the pre-paid account.

### **3. Reconciliation and Inspection**

- a) All debit card transactions will appear on the bank account's bank statement, the receipts/invoices obtained must be reconciled to the statement, monthly as a minimum.
- b) All credit card transactions will appear on the credit card account statement, the receipts/invoices obtained must be reconciled to the statement, on a monthly basis as a minimum.
- c) All receipts and the reconciliation schedule must be checked and authorised by the RFO, Services and Contracts Manager, and Town Clerk. A segregation of duties by a minimum of two persons must be maintained at all times.

### **4. Restrictions**

- a) Debit and credit cards must not be used for any non-Council business or personal expenses.
- b) Only secure sites should be used to make purchases via the internet with a web address beginning HTTPS.
- c) The only person authorised to use the card is the cardholder. Card details are NOT to be retained by an online website.
- d) The cardholder shall not make any attempt to change the terms and conditions on which the card is held.
- e) The cardholder must not share any account details or passwords in respect of transactions with anyone else.

### **5. Security**

- a) The card will only ever be used by the person named on the card.
- b) It is the personal responsibility of the card holder to ensure the card is kept secure at all times and cannot be accessed by any other persons. Reasonable steps should be taken to ensure the card details cannot be viewed or overheard by any other persons.
- c) Passwords or other details relating to the debit card or cardholder must not be written down.
- d) Debit cards details must not be stored where others may have access to them.
- e) It is recommended for security reasons that wherever possible transactions are processed by the cardholder being physically present at the point of sale.
- f) The card's Security PIN number must be kept secure and not disclosed to anyone else, under any circumstances.
- g) The bank must be notified immediately if the card is lost or stolen, or fraudulent use is suspected.
- h) The cardholder will surrender their card to the Town Clerk when the cardholder leaves the employment of the Council, or if circumstances change so that a card is no longer required. The card should then be destroyed by the Town Clerk and the provider notified.

- i) Staff will be held personally liable for any transactions processed through the card until the time when the card is physically surrendered.
- j) If the cardholder misuses the card or fraudulently uses the card or knowingly permits any other person to use the card, this will result in disciplinary action being taken against the cardholder.

**ADOPTED:2023**

**REVIEWED: ANNUALLY**

**AMENDED:2024**

## Reserves Policy

### PURPOSE

The Town Council maintains two types of reserves, for differing reasons:

- a General Reserve (the General Fund working balance), which provides working capital and a buffer against financial risks; and
- earmarked reserves to meet known, planned or predicted spending requirements which have been identified specifically.

The Council acknowledges that there is a balance to be struck between holding excessive reserves raised from public monies and retaining a prudent level of funds. It will therefore take advice from its Responsible Finance Officer on the adequacy and appropriateness of its reserves, primarily when setting its revenue budget.

### 1. GENERAL RESERVE

This reserve represents the balance on the Council's revenue account, i.e. the account which records all its financial transactions. Unless allocated for a specific purpose, revenue budget underspending and windfalls are added to the working balance, while overspendings are taken from the balance.

The balance provides working capital to assist the Council's cash flow, acts as a buffer against unexpected events or expenditure and provides funds for opportunities to be pursued. The optimum level for the working balance is determined by an assessment of the Council's potential exposure to financial risks, together with a judgement of the extent to which earmarked reserves can support its cash flow on a temporary basis.

The medium-term target for the reserve is to accumulate a balance equivalent to 35% of net revenue expenditure by 31 March 2025 reducing to 30% of expenditure from 01 April 2026 onwards. This is to be achieved by regular annual contributions from the revenue account, where necessary. The level of contributions will be determined annually, taking account of the impact on council taxpayers and the availability of earmarked reserves.

### 2. EARMARKED RESERVES

Other than any funds governed by legal conditions, the earmarking of reserves is at the discretion of the Council and monies can be moved from one to another if required. Reserves do not generally accrue interest on the investment of their funds.

In order to avoid future over-commitment, the day-to-day operational costs of running the Council are to be met from the revenue budget and reserves shall not be used to fund recurring expenditure.

- **Devolution Reserve:** This reserve is credited with the difference (while positive) between the council tax income equivalent to the special expenses previously levied in Penrith and the net cost of the assets transferred. The reserve will provide a cushion against the full cost of those assets being higher than expected renovation and/or improvements.
- **Elections Reserve:** This reserve supports the costs in the future of Parish Council Elections and any one off by election costs and recharges. An allocation of £30,000 met from underspends in the 2022-23 financial year, and thereafter a contribution of £5,000 per annum over the full term of the MTFP.

### **3. ESTABLISHMENT AND USE OF RESERVES**

The Annex to this policy provides further details of the Council's current reserves with a target range for each one.

The establishment or closing of an earmarked reserve requires a formal decision of Council. Similarly, the approval of Council is required for all contributions and transfers to reserves, and all use of reserves to fund expenditure.

**ADOPTED:2015**

**REVIEWED: ANNUALLY**

**AMENDED:2024**

## CURRENT RESERVES

Reserve	Purpose	Target level
<b>General Reserves</b>		
General Reserve (General Fund Working Balance)	<ul style="list-style-type: none"> <li>• Provision of working capital.</li> <li>• Buffer against uneven cash flows, inflationary pressures, sharp budgetary changes, unexpected events or emergencies.</li> <li>• Ability to pursue opportunities when identified.</li> </ul>	<ul style="list-style-type: none"> <li>• Assessed primarily on the basis of financial risks to the Council.</li> <li>• Medium-term target to be 35% of net revenue expenditure at 31 March 2025 and 30% thereafter.</li> <li>• Minimum level: £150,000</li> <li>• Range: £150,000 to £300,000</li> </ul>
<b>Earmarked Reserves</b>		
Devolution Reserve	<ul style="list-style-type: none"> <li>• Accumulation of funds in the early years of devolved asset transfers.</li> <li>• Cushion against the longer-term full costs of devolved assets being higher than expected renovation and/or improvements.</li> </ul>	<ul style="list-style-type: none"> <li>• Based on the allocation of the difference (while positive) between the income equivalent to the special expenses previously levied in Penrith via council tax and the net cost of devolved assets transferred from Eden DC</li> <li>• Typical Range: £50,000 to £260,000</li> </ul>
Elections Reserve	<ul style="list-style-type: none"> <li>• To meet the costs of Parish Council Elections in 2027 and any one off by elections and general election recharges.</li> </ul>	<ul style="list-style-type: none"> <li>• £30,000 met from underspends in 2022-23 financial year.</li> <li>• A contribution of £5,000 per annum over the full term of the Medium-Term Financial Plan, 31 March 2028.</li> <li>• Range: £30,000 to £60,000</li> </ul>

**DATE OF APPROVAL: 24 January 2024**



## **INVESTMENT STRATEGY**

### **PURPOSE**

The Town Council invests reserves and surplus funds which are not immediately required to meet expenditure.

This strategy provides a framework for the secure and prudent investment of those monies and adopts the relevant principles of statutory guidance issued under the Local Government Act 2003 and of CIPFA codes of practice.

### **INVESTMENT OBJECTIVES**

The Council invests monies for treasury management purposes.

Its priorities in investing surplus funds are:

- **Security** (protecting the investment from loss).
- **Liquidity** (ensuring the money is available for expenditure when needed).
- and, providing the above objectives have been met,
- Obtaining the best **Yield**.

Investment opportunities are assessed in terms of these objectives; the Council aims to obtain the best possible return commensurate with proper levels of security and liquidity.

### **TYPES OF INVESTMENT**

The Council will not invest in non-financial assets such as commercial property.

The Council will only place funds in specified investments, as defined by the Secretary of State, which offer high security and high liquidity. These investments are made in the Council's name and are:

- made in sterling.
- have a maturity of no more than one year; and
- with a counterparty which is the UK Government, a local authority or a body of high credit quality.

The Council does not intend to use non-specified investments (i.e. those which do not meet these criteria) as these are generally considered to be of higher risk and would require specialist advice.

## **RISK ASSESSMENT**

The Council's investments no longer qualify for the Financial Services Compensation Scheme up to £85,000; however, this is considered to be an acceptable limit for investments in organisations of good credit quality. Larger amounts can be invested with organisations of high credit quality.

The Council does not employ external treasury advisors or subscribe to a credit rating agency. It bases its assessment of the risk attaching to potential investments with counterparties on their publicly available information, organisational structure and asset size.

The Council will also have regard to the amount of funds placed with a single institution.

## **APPROVED COUNTERPARTIES**

The following counterparties are approved for the investment of surplus funds by the Council, with a duration of no longer than twelve months:

- HM Government and its agencies
- Local Authorities
- UK Clearing Banks
- Building Societies with an asset base in excess of £1,000 million or smaller societies where there are strategic or local considerations, limited to a principal investment of £85,000 with a single society.
- UK FCA regulated qualifying money market funds with an AAA rating (Fitch credit rating).

## **TREASURY MANAGEMENT RESPONSIBILITIES**

All new investments are made in the name of Penrith Town Council and will be approved by Full Council, having taken advice from the Responsible Financial Officer, who has knowledge and experience of the CIPFA codes of practice.

Any transfer of monies between bank accounts shall be made by any combination of two officers of the Council -the RFO, Services and Contracts Manager, the Town Clerk, the Deputy Town Clerk and in the absence of one, by one of the designated Councillors pre-approved by Full Council. Investment activities are reported to the Finance Committee to be noted.

Members of the Finance Committee are suitably experienced and understand the nature of investment risks. Where necessary, their knowledge will be supplemented by formal or informal training.

## **ACTIVITIES FOR NEXT 12 MONTHS**

The Town Council plans to maintain its investments in the Penrith Building Society. As it receives its full annual precept income early in the financial year, it will have surplus funds for most of the year and these will be invested in the CCLA Public Sector Deposit Fund until needed. As the Council does not have a long history of managing its cash flow actively, it will adopt a cautious approach to investing surplus monies to ensure that its bank account balance is always sufficient to meet short-term requirements.

## **REVIEW**

This strategy will be subject to annual review in advance of each financial year.

**ADOPTED: 2015**

**REVIEWED: ANNUALLY**

**AMENDED: January 2024**

INTENTIONALLY BLANK



# Penrith Town Council

## COMPLAINTS AND COMPLIMENTS POLICY & PROCEDURE 2024

## Contents

1. Overview.....	2
2. Contact details of who to complain to: .....	3
3. The importance of <b>Procedure for complaints</b> .....	4
4. What is a complaint? .....	4
5. How to complain .....	5
6. Complaint Hearing Procedure at a Staffing <b>Sub-Committee Meeting</b> .....	6
<del>7. Dealing with unreasonable and persistent complainants</del> .....	9
<del>8. Definitions</del> .....	10
Principles .....	11
9. How do we deal with this behaviour?.....	12
<del>10. Dealing with unreasonable and persistent complainants</del> .....	15

## 1. Overview

Penrith Town Council is committed to providing a high quality service for the benefit of the people who live or work in the town ~~its area~~ or are visitors to the town ~~locality~~.

If you are dissatisfied with the standard of service you have received from the Council or are unhappy about an action or lack of action by the Council this complaints procedure sets out how you may complain and how the Council will try to resolve your complaint.

We want to provide a high quality service at all times. If you feel that any aspect of our service has been at fault we want to know about it. We believe that complaints and compliments provide useful information and feedback on the quality of our services, procedures and practices. They help us to improve our service to residents, visitors and those working in the town. This policy is for members of the public who are considering making any complaint to the Council whether minor, serious, formal or informal and applies to any service provided by the Council.

~~If you are dissatisfied with the standard of service you have received from this Council or are unhappy about an action or lack of action by this Council. This Complaints Procedure sets out how you may complain to the Council and how we shall try to resolve your complaint.~~

This Complaints Procedure applies to complaints about Council administration and procedures and may include complaints about how Council employees have dealt with your concerns.

a. This Complaints Procedure does not apply to:

- i. Complaints by one Council employee against another Council employee. ~~These matters are dealt with under the Council's employment policies.~~
- ii. Complaints between a Council employee and the Council as employer. These matters are dealt with under the Council's disciplinary and grievance procedures.
- ~~iii.~~ Complaints against Councillors. Complaints against Councillors are covered by the Code of Conduct for Members. ~~and, if A complaint against a Councillor should be made to the Monitoring Officer at Westmorland and Furness Council, is received by the Council, it will be referred to the Standards Committee of Eden District Council.~~

~~b. The appropriate time for influencing Council decision making is by raising your concerns representations or comments before the Council debates and votes on a matter. You may do this by writing to the Council in advance of the meeting at which the item is to be discussed.~~

There may also be the opportunity to raise your concerns in the public participation section of Council meetings.

- c. If you are unhappy with a Council decision, you may raise your concerns with the Council. but Standing Orders prevent the Council from re-opening issues for six months from the date of the decision, unless there are exceptional grounds to consider this necessary and the special process set out in the Standing Orders is followed. ???
- d. You may make your complaint about the Council's procedures or administration to the Town Clerk. You may do this in person, by phone, or by writing to or emailing the Town Clerk. The Contact details are set out below.
- e. Wherever possible, the Town Clerk will try to resolve your complaint immediately promptly and informally. If this is not possible The Town Clerk will normally try to acknowledge your any formal complaint which is made within five working days.
- f. If you do not wish to report your complaint to the Town Clerk or if it relates to the Town Clerk, you may make your complaint directly to the Chair of the Council who will report your complaint to the Complaints Staff sub Committee of the Council if unless he/she is unable to deal with your complaint informally and promptly.
- g. Each formal complaint will be investigated. Any obtaining further information which is required as necessary from you and/or from staff or members of the Council will be sought by the investigator.
- h. You will receive notification within 20 working days of the outcome of the investigation the outcome of your complaint and of what action (if any) the Council proposes to take as a result of and in response to your complaint.
- i. In some cases the twenty working days timescale may have to be extended. If it is, you will be kept informed an extension is necessary you will be notified and of the period of the extension.
- j. If you are dissatisfied with the response to your complaint, you may ask for your complaint to be referred to the Full Council the Staff sub committee and (usually within eight four weeks) you will be notified in writing of the outcome of the review of your original complaint.

## 2. Contact details of who to complain to:

If you have a complaint against a Town Councillor, you should write to:



The Monitoring Officer  
~~Legal and Democratic Services~~  
Westmorland and Furness Council, South Lakeland  
House, Lowther Street, Kendal, LA9 4DQ.  
[monitoringofficer@westmorlandandfurnesscouncil.gov.uk](mailto:monitoringofficer@westmorlandandfurnesscouncil.gov.uk)  
~~0300 373 3300~~ Town Hall, Penrith, CA11 7QF





If you have a complaint against ~~an employee~~ the Town Clerk of the Town Council, you should write to the Chair of the Council, Councillor D Lawson, Penrith Town Council, Church House, 19-24 Friargate, Penrith, CA11 7XR. [clr.lawson@penrithtowncouncil.gov.uk](mailto:clr.lawson@penrithtowncouncil.gov.uk)



If you have any other complaint, you should write to the Town Clerk, Penrith Town Council, Church House, 19-24 Friargate, Penrith, CA11 7XR. [office@penrithtowncouncil.gov.uk](mailto:office@penrithtowncouncil.gov.uk)  
01768 899773

~~In order for your complaint to be dealt with, the following procedures are in place so you can be assured your complaint will be properly and fully considered.~~

~~The procedure for making and dealing with complaints is set out below.~~

### **3. The importance of ~~Procedure for~~ complaints**

~~Complaints are valuable and useful because they provide an opportunity to put things right if there has been an error and to ensure that a mistake is not repeated.~~

~~It is essential that complaints are dealt with positively. The Town Council is keen to hear people's comments and is committed to making full use of complaints information to contribute to service improvement.~~

~~We want to provide high quality service at all times. If you feel any aspect of our service has been at fault we want to know about it and investigate. We believe that complaints and compliments provide useful information and feedback on the quality of our services, procedures and practice. They help us improve our service to residents, visitors, and those working within the town.~~

~~This policy and procedure note is for members of the public considering making any complaint to the Council, whether minor, serious, informal or formal and applies to all services provided by the Council.~~

### **4. What is a complaint?**

~~People's perceptions differ widely. It is therefore very difficult to give a precise definition of a complaint. However, for our purposes~~ A complaint

is an expression of dissatisfaction about the Council's action or lack of action or about the standard of a service undertaken which affects someone. ~~by the Council or any of its employees.~~

For example, a complaint could be where you are not happy about:

- The service you have received from us – including our staff, volunteers, or contractors who work on our behalf.
- Things you think we should have done or have not done – either by law or by established practice.
- Where you think we have not followed adopted procedures or policies.

### **We aim:**

- ✓ To deal with complaints impartially, objectively, and swiftly;
- ✓ To find a solution locally, whenever possible, to the satisfaction of all parties

## **5. How to complain**

We want to put things right as quickly as possible and this may usually be done if you speak directly and informally to the member of staff providing the service first before or instead of making moving to a more formal complaint. The Council will receive queries, problems and comments as part of its day to day business, and every effort should be made to deal with these problems and issues immediately by providing information, taking the appropriate action or explaining a matter.

However, if someone is or remains dissatisfied or wishes to make a formal complaint he or she may do so by following the procedure set out below:

### **Informal complaint - stage 1**

- a. If you feel that the member of staff has not resolved your complaint informally or if you wish to make a formal complaint ~~response has not dealt properly or fully with your complaint~~, you should contact the Town Clerk.
- b. If your complaint involves the Town Clerk, please go straight to Stage 2.
- c. ~~Contacting~~ The Town Clerk can be ~~done~~ contacted by telephone, email, in person or in writing. You should give your name, address, relevant dates and as much information as possible to help us deal with the complaint. You should explain what you think has gone wrong or not

happened and what should be done to put matters right or improve a service.

- d. Once we receive your complaint, we will acknowledge receipt **within 5 days**. ~~We will make a written record, noting your name and contact details, and the nature of the complaint.~~
- e. We will **appoint someone to investigate the complaint who has not been involved in the matter**, obtaining further information as necessary from you, staff, or Councillors.
- f. Within twenty working days we will send you a full written reply **and response to your complaint**. We will ~~or~~ let you know if our reply will take longer, explaining the reason for ~~the~~ **any delay and informing you of the period of any extension**.
- g. If we do not hear from you within ~~ten~~ **fifteen** working days of our reply, **we will assume that you are satisfied with the response or that you do not wish to take the matter further and will close the complaint**.
- h. A record of the complaint and investigation will be kept for six years.
- i. **If you are dissatisfied with the response to or the outcome of your complaint you may proceed to stage 2 and have your complaint heard by a panel of Councillors.**

## **Formal - stage 2**

- a. ~~We hope that by now we will have resolved your complaint. However, if we haven't, and providing you have been through Stage 1, you will be asked to give a reason why you remain dissatisfied. If you wish to proceed to stage 2 you should write to the Town Clerk in hard copy or by email and set out why you are dissatisfied with the response or the outcome of your complaint and what you wish the Council to do.~~
- b. If your initial complaint involves the Town Clerk, you should write to the Chair of the Council who **will consider your complaint and deal with it informally, if possible, or investigate or appoint another Councillor or person to investigate it**. ~~A report to the Staffing sub-committee of the Council.~~
- c. ~~Your complaint will be investigated following the procedure outlined in the box below.~~
- d. ~~If the complaint is against a procedure administered by the Town Clerk a member of~~ The **Chair, Councillor or other person** will investigate the complaint and **report to the Staff sub-committee**. The staff sub-committee which will hear and consider your complaint **and the investigation report in accordance with the following procedure**. ~~make a representation in a hearing.~~

## **6. Complaint Hearing Procedure at a Staffing Sub-Committee Meeting**

The complainant will be invited to attend the meeting with his or her representative. The complainant will be asked to provide the Council with copies

of any documents which he or she wishes to refer to at the meeting. The Council will provide the complainant with a copy of any documentation it is intended to be provided to the meeting.

- a. ~~We~~ At the meeting the sub-committee will consider whether the circumstances warrant exclusion of the press and public. The sub-committee and those present will receive a report on the complaint including a copy of the complaint itself and the investigation report and any further information the complainant wishes to refer to at the meeting.
- b. The Chair will introduce all present and explain the procedure.
- c. The Complainant or the representative will state outlines the grounds of the nature of the complaint and may call any witness.
- d. The investigator and Members can ask any question of the complainant or the representative and any witness.
- e. The investigator will present the report on the investigation of the complaint. The investigator may call any witness including if relevant, the Town Clerk or other member of staff or Councillor. explains the Council's position.
- f. The complainant, the representative and Members can ask any question of the investigator or witness. Town Clerk or other member of staff or Councillor
- g. Town Clerk, staff or Councillor, The investigator and then the complainant are offered the opportunity of making any final comments a last word.
- h. The Town Clerk, staff, or Councillor investigator, any witness and the complainant will be asked to leave the room while members decide on the complaint and what action, if any, to take. whether the grounds for the complaint have been made.
- i. If a point of clarification is necessary, all parties will be invited back.
- j. The parties will return to hear the decision or are to be advised when the decision will be made (The Committee / Council can defer making a decision if it needs to wait for seek legal advice or further information).
- k. The decision is will be confirmed in writing within twenty five working days of the meeting with the details of any action to be taken.
- l. A decision on a complaint may be reported to and announced in public at a future Council meeting.
- m. A record of the complaint and investigation and the sub-committee's decision will be kept for six years.
- n. We will try The Council will seek to complete the whole Stage 2 procedure within eight weeks.

## **COMPLIMENTS**

A compliment is an expression of praise or congratulations for the Council, any Councillor or member of staff.

The Council welcomes comments on the delivery of its services. The Council appreciates people taking the time to inform us of when things have gone well, when someone has provided a service which is particularly prompt, well received or delivered.

Compliments, which will be anonymised, may be included in reports to Council or in official publications.

### **Complaints Officer**

The Complaints Officer for the Council is the Town Clerk.

The Town Clerk will:

undertake the day to day operation and management of this policy and procedure:

oversee and, if appropriate undertake the investigation of formal complaints;

maintain a record of all complaints received including the nature of the complaint, the action taken, the outcome and the time taken to deal with the complaint; and

identify any improvements to be made arising from a complaint.

## Unacceptable, unreasonable and unduly persistent behaviour policy

### 7. Dealing with unreasonable and persistent complainants

- a. This policy contains a protocol that sets out the actions that the Council can take when dealing either unreasonably persistent contact, unacceptable behaviour from people, and vexatious or/and unfocussed complaints. This protocol is expected to apply to very few people.
- b. No action under the policy will ever allow a potentially serious issue affecting public or councillor safety to go uninvestigated.
- c. The Council, its Councillors', employee and personnel work closely with members of the public. In doing this, we are often approached by a range of people for a variety of reasons. We aim to provide an excellent level of service to everyone who contacts us.

Penrith Town Council is committed to providing excellent customer service to everyone who contacts us.

- d. Every **one** is entitled to be treated respectfully, courteously and in a polite manner. Anyone who raises an issue with **the Council us has a right to can expect to be and will be treated fairly and properly us to deal with it fully and fairly.**
- e. When dealing with people we do not normally limit the contact they have with us. However, our staff should not be expected to tolerate abusive, threatening, **demeaning** or offensive behaviour **either verbally or in writing**. Similarly, we should not be expected to deal with someone who, because of the frequency of their contact, hinders the work that we do **or places an undue strain on staff or their time and resources**.
- f. The purpose of this policy is to explain and identify the action that the Council may take against anyone who displays unacceptable, unreasonable or unduly persistent behaviour in their dealings or conduct with the Council and its staff.
- g. The Town Council's policy for dealing with unreasonable and persistent complainants will be enforced if the complainant is deemed to be unreasonable and persistent by the Councils' solicitor

## **8-Definitions**

### **Unreasonably persistent**

- a. Persistent complaining over the same issue.
- b. Persistence will be defined as the same or similar complaint made, irrespective of to whom in the Council, on a number of occasions.
- c. Persistently seeking an outcome that the Council has already explained is unrealistic for policy, legal or other valid reasons.
- d. Unreasonably persistent people are those who, because of the frequency or nature of their contacts with us, and is inappropriate, disproportionate or excessive.
- e. Complainants who are unreasonably persistent may have justified complaints or grievances, but are pursuing them in inappropriate ways, or they may be intent on pursuing complaints/issues which appear to have no substance or which have already been investigated and determined.
- f. In dealing with people, we recognise that our resources including staff time have to be used where they can provide the most value. This might mean that we cannot respond to every complaint/issue in the way a person would like. Examples of the types of actions / behaviour which may cause this policy to be used are noted below.

### **Unfocused**

Where the complainant's issues are either too vague, imprecise as to time, place, personnel, or constantly shifting as to what is sought to be resolved.

### **Vexatious**

The regulatory bodies, the Local Government Ombudsman and the Information Commissioner's Office, have itemised what they consider vexatious. While not exhaustive, the examples below illustrate the variety of behaviours to which the Council will respond to protect its staff and resources:

- Complaining about or challenging an issue based on a historic and/or irreversible decision or incident.
- Making persistent and unreasonable demands on Council staff after the unreasonableness has been explained. An example would be a complainant who insists on immediate responses or sets the Council unreasonable deadlines.
- Taking a 'scatter gun' approach to their complaints, for example within the Council or using MPs, elected members, or regulatory bodies.
- Refusing to specify the grounds of their complaint despite offers of assistance.
- Refusing to cooperate with the Council's investigation of the complaint, insisting on their demands being met without such an investigation.
- Refusing to accept that issues are not within the power of the Council to investigate, change or influence. An example would be a problem caused by the private sector rather than the Council.
- Insisting that the complaint be dealt with in ways other than the Council's complaints policy or equivalent. For example insisting there are no written records made of the complaint.
- Refusing to accept the outcome of the complaint or data access process after the Council's considered final response, repeatedly arguing the point, or denying that this was an adequate response.

- Insisting a minor variation in the original complaint means that it is a 'new' complaint requiring a new Council response.
- Where the complainant can be evidenced to be verbally or physical abusive, threatening or violent in their contact with the Council over the issue.
- Where the complainant keeps shifting the focus of the topic or relevant staff involved with the complaint.
- Where the complainant has been significantly partially or wholly untruthful in their complaint or data access request.

## What is unacceptable behaviour?

### Principles

- a. We expect our staff to be treated with courtesy and respect.
- b. We recognise that people often feel under pressure, distressed or feel that they have to be determined to pursue their concerns. They can also feel angry about their situation. Staff must be able to **and will seek to** distinguish between distress, frustration, forcefulness and determination and behaviour which **are is** unacceptable, unreasonable or unduly persistent.
- c. Unacceptable behaviour **broadly is defined as:**
  - behaviour or language (whether oral or written) that may cause **a member of** staff to feel afraid, intimidated, threatened or abused. This could include threats of physical violence, derogatory remarks, **offensive, foul, demeaning, racist, sexist or homophobic language**, rudeness, harassment, inflammatory statements and unsubstantiated allegations.

This type of behaviour can be exhibited in different ways including in person, on the telephone or in written or email correspondence. When dealing with this type of behaviour account will be taken of the frequency of the contact, the content of the contact, any actions taken to seek to resolve any issue and the level of any disruption caused.

- d. Unreasonable behaviour would include:

Making unnecessarily excessive demands on the time and resources of any member of staff which may be excessive or frequent contact, sending numerous emails to staff, and expecting immediate and substantial responses to matters raised.

Submitting repeated issues or complaints particularly after a complaints process may have been exhausted.

Insisting that an issue should be dealt with in ways that are not compatible with standard procedure or good practice.

Refusing to accept documented evidence as factual.

Making frequent and unreasonable demands on Council staff particularly after any unreasonableness has been explained.

- e. Undue persistence relates to those who by the frequency and nature of their contact with the Council place an unreasonable strain on staff time and resources, pursuing complaints or issues in inappropriate ways, pursuing issues which have



no substance or are outside of the Council's remit or have already been investigated and decided.

## **9. How do we deal with this behaviour?**

The Council will operate a zero tolerance approach to unreasonable and unacceptable behaviour and undue persistence and will seek to protect its staff from such behaviour and conduct.

If any person behaves in an unreasonable, unacceptable and undue manner to which this policy relates a manager will seek to manage the behaviour and control or limit the contact that the person may have with a member of staff. In some circumstances the Council may consider placing restrictions on how and whether a person may contact the Council.

If unreasonable behaviour occurs during a telephone conversation the member of staff should explain why the behaviour is unacceptable. The caller should be given the opportunity to stop the unacceptable behaviour. If the unacceptable behaviour continues the member of staff will inform the caller that the telephone call is being terminated and will make a record the call and the reason for the termination.

If unreasonable behaviour is displayed in written correspondence the Council may respond in writing addressing the query or complaint whilst stating that the correspondence is unacceptable and requesting the person to refrain from such behaviour in the future. A record will be made of the unreasonable behaviour and request.

Following any instance of unreasonable behaviour a manager may contact the person concerned by telephone, in writing or by email to explain why the behaviour is causing concern and requesting that the behaviour should change. The warning will contain.

The details of the incident and when it occurred.

The reasons why the behaviour is considered to be unreasonable, unduly persistent or unacceptable.

An explanation of the effect the behaviour is having on the Council and its staff.

What could happen should the behaviour continue.

A copy of this policy may be sent to the person concerned.

If the disruptive or unacceptable behaviour continues a manager may issue a reminder. A reminder should inform the person that if the unreasonable or inappropriate behaviour continues future contact with the council will be restricted.

In cases where the behaviour is particularly serious the Council through the Town Clerk may decide that this policy and any sanction will be applied without prior

warning. In that event a manager will write directly to the person concerned explaining the reason for the action.

There are a number of ways the Council may restrict access and the action taken will depend on the nature and extent of the behaviour.

The actions to restrict access include but are not limited to:

Restricting contact to one method (letters only, for example) or to one member of staff or a particular time of day.

Accepting contact only through a third party.

Only responding to correspondence where new or pertinent information is provided which has not been considered previously.

Refusing to accept further telephone calls.

Restricting the issues the Council will correspond on

Requesting the individual to enter into an agreement about his or her future conduct.

Any action the Council may take will be reasonable and proportionate. The action will balance the interests of an individual with the Council's duty to protect the health, safety and wellbeing of its staff.

When the Council applies this policy to any person we will write to him or her setting out:

The reasons why we believe the behaviour to be unreasonable unduly persistent or unacceptable.

What action the Council has decided to take in response to this behaviour.

How and when the Council will review any decision to restrict access and to what this will apply.

## Review

A review will be of any decision to restrict access or apply this policy by a manager 12 months after that decision is made. A recommendation will be made to or by the Town Clerk on whether the restriction should be extended, amended or removed.

Where a person has changed his or her behaviour the contact restrictions will be amended or removed.

Once the review has been completed a manager will write to the person concerned to advise him or her of the decision which has been made and its basis.

Where the behaviour is extreme or severe or if the immediate safety or welfare of staff is threatened the Town Clerk may report the matter to the Police or take legal action.

- a. If unacceptable behaviour occurs, the staff member, or Councillor should explain to the individual why their behaviour is unacceptable. The member of staff should then give the individual the opportunity to stop the unacceptable behaviour and explain that if they carry on it will result in the conversation being ended. If the behaviour continues, the member of staff should tell the individual politely that they are ending the conversation.
- b. Once the conversation has ended note should be made of the conversation with a clear description of the unacceptable behaviour that was demonstrated by the member of the public.
- c. This note should be saved to the complaints folder and a copy shared with the Town Clerk. Please be aware when writing the note, that this information would be disclosable under the Data Protection Act 1988.
- d. The member of staff should inform the Town Clerk of such contact, be given the opportunity to talk about it and offered any other support necessary to ensure their well being.
- e. Even at any point you have concerns for your personal safety, you should summon support from another staff member and/or police.

## 10. Dealing with unreasonable and persistent complainants

The procedure for dealing with will be implemented as follows:

- a. In exceptional cases, the behaviour of a person may pose an immediate threat to the health, safety or well-being of our staff. In such circumstances, the Town Clerk, may, without warning to the person, refer the case to the Police or instigate civil proceedings.
- b. A complainant will be notified that the Council's Protocol for dealing with Unreasonable, Persistent, Vexatious or Unfocussed Complaints and Data Requests Protocol complaints is to be enforced, together with the reason why. The complainant will then be asked to:
  - i. Restrict contact to one method.
  - ii. Request contact with the Town Council in a particular form (for example, letters only).
  - iii. Request contact to take place with a named officer or Councillor.
  - iv. Restrict telephone calls to specified days and times.
  - v. Accept contact through a third party.
  - vi. and/or be asked to enter into an agreement about future contact with the Town Council
- c. The Council may decide to only acknowledge or file correspondence unless new information is presented, refuse to accept further telephone calls and/or restrict the issues we will correspond on.
- d. Any action taken will be reasonable, proportionate and balance the interests of the member of the person with the duty to protect the health, safety and well-being of our staff.
- e. The Council will decide how long it will spend on any one complaint and whether it feels the complaint has been sufficiently dealt with.
- f. In all cases where a complainant is deemed to be unreasonable and persistent, the Council will write to the complainant to justify its course of action and explain for how long it will be operative.
- g. The complainant may challenge the Council's decision, although proof that the complaint has not been sufficiently dealt with will be required.
- h. If deemed to be a fair challenge, the Council will conduct a review of the complaint and will re-consider whether the complaint should still be treated as unreasonable and/or vexatious.
- i. If a complainant persists in communicating with the Council once their case has been closed, the Council reserves the right to terminate all further communication.
- j. The case will only be re-visited if the complainant can provide fresh evidence that may affect the Council's previous decision concerning the original complaint.
- k. If the Council feels that re-opening the complaint cannot be justified the complainant will be notified in writing that the case has been closed and there will be no further communication.
- l. New complaints received from complainants previously deemed to be unreasonable and or vexatious will be treated on their merits.
- m. Complaints will be kept on file for no more than six years.