

RAUNDS TOWN COUNCIL

POLICY AND RESOURCES COMMITTEE

Minutes: 7 March 2017: Start Time 7.30pm.

PRESENT

Cllr D Hughes (Chair), Cllr R Levell, Cllr H Howell, Cllr B Tirebuck

IN ATTENDANCE

Ms Kate Houlihan, Town Clerk (Minutes)

Miss Joanne Coduri, Assistant to the Clerk

552.16 To Receive Apologies For Absence.

Apologies were received from Cllr R Beattie.

RESOLVED to note the apologies.

553.16 Notification of requests from members of the public to address the meeting in compliance with adopted protocol.

None received

554.16 Notification of members questions in compliance with the council's standing orders.

None received

555.16 Declarations of Interest.

COUNCILLORS ARE REMINDED THAT IF THEY HAVE EITHER A DISCLOSABLE PECUNIARY INTEREST OR OTHER INTEREST IN ANY ITEM THEN THEY SHOULD DECLARE THE INTEREST AND IN THE CASE OF A PECUNIARY ITEM THEY SHOULD LEAVE THE MEETING FOR THAT ITEM.

NONE

556.16 Minutes: Confirm the minutes of the Policy and Resources Committee meeting held 12 January 2017.

RESOLVED that the minutes of the Policy and Resources Committee meeting held on 12 January 2017 be confirmed as a true record.

557.16 Annual Review of Insurance: To consider quotations for Insurance for 2017.

The clerk presented her report (as shown in Appendix 1) and elaborated thereon. The current supplier and Ecclesiastical offered the most competitive quotes.

The clerk presented members with a summary of key cover and highlighted any differences between the suppliers.

Cllr Levell asked for further information on Ecclesiastical and the Clerk advised that they were a longstanding supplier of insurance to the church sector.

Following detailed discussion it was...

RESOLVED to recommend to the Full Council that Ecclesiastical are appointed as the Town Council Insurers from 1st April 2017.

- 558.16 Annual Review of the effectiveness of Internal Control and Internal Audit:** To carry out a review of the Council's procedures for Internal Control.

Members considered the report of the clerk. A number of amendments and additions were proposed to the Policy for Financial (Internal) Control checks. Minor editorial amendments were also made to the Internal Audit Service Terms of reference (as shown in appendix 2)

Members also reviewed report on the effectiveness of Internal Audit and considered that the service met the appropriate standards and the characteristics of effectiveness were demonstrated.

RESOLVED to recommend to the Full Council that the Policy for (Financial) Internal Control and the terms of reference for the Internal Audit Service be as shown in appendix 2.

- 559.16 Annual Review of Risk Management:** To carry out a review of the Councils Risk Assessments and Risk Management.

Members reviewed the risk assessments for all council activities and a number of amendments were made.

Following discussion it was...

RESOLVED to recommend to the Full Council that the risk assessments be approved as amended tabled.

- 560.16 Internal Audit:** To consider the report of the Internal Auditor.

Members considered the report of the Internal Auditor and wished to thank the auditor for their helpful and diligent report. Following discussion of each of the points raised it was...

RESOLVED to recommend to the Full Council that

- **Grant Awarding Policy:**
The committee would review this policy at their next meeting.
- **Equalities Statement:**
As the statement had been recently reviewed by the council's personnel advisers, members recommend that this is not amended until the next scheduled review.
- **How to have you say at a Council meeting:**
Reference to the public being able to record council meetings is made in Standing Orders and members felt that this was sufficient at the current time.

- **Publication Scheme**

The asset register would continue to be published annually at the same time as the annual report /accounts so that the figure in the annual accounts can be easily matched to the asset register.

- **General Comments**

Members note that a “spring clean” of policies on the website has been undertaken. It was also agreed that the full policy list would be considered at the next meeting of the committee who would consider ways to simplify/streamline the review system.

561.16 Parking Policy: To adopt a Parking Policy for all Town Council owned land and car parks.

Members reviewed the policy in depth and it was....

RESOLVED to

- a) **Recommend to the Full Council that the policy be adopted as shown in appendix 3.**
- b) **The Clerk is to investigate the contracting traffic warden through Northamptonshire County Council.**

There being no further business the meeting concluded at 9.35pm

Approved: (Town Mayor)

Meeting date: 14 March 2017..... (Council)

Approved: (Chairman)

Meeting date:02 May 2017..... (Committee)

Appendix 1 – Annual Review of Insurance

Summary: A report on the renewal of the Council's insurances.															
Attachments: None.															
1.0	<p>Background</p> <p>This is an interim report as not all pricing information had been received at the time of issuing the agenda. The Council previously entered into a 3 year agreement (expires 31/3/17) with Zurich Municipal for the provision of its insurance. This agreement expires on the 31/3/2017, the Council must therefore consider the various options to renew insurance.</p>														
2.0	<p>Long term agreement</p> <p>A number of insurers have been approached for quotations. All quotations have been sought on the basis of entering a Long Term Agreement, (3 year deal with the insurer) This ensures that the Council is offered the best price and also significantly reduces the administrative work that would be involved in renewing annually.</p>														
3.0	<p>2017 Review</p> <p>In January 2017 the Policy and Resources Committee reviewed the level and scope of cover held by the Town Council. Quotations for the renewal have been sought on the basis of the review. However each insurer has suggested minor alterations to the coverage offered and these differences will be highlighted during the committee meeting.</p>														
4.0	<p>The cost of renewal</p> <p>In 2016/17 the Council paid £9330 for their annual insurance. However the market place for Town and Parish Council insurance has become increasingly competitive.</p> <p>Quotations for renewal have been sought from a number of companies:</p> <table border="1"> <thead> <tr> <th>Company</th> <th>Cost based on entering 3 year LTA</th> </tr> </thead> <tbody> <tr> <td>Current supplier</td> <td>£5588.37</td> </tr> <tr> <td>Supplier 2</td> <td>£8569.00</td> </tr> <tr> <td>Supplier 3</td> <td>£8207.25</td> </tr> <tr> <td colspan="2">Came & Company Brokers offered quotes from:</td> </tr> <tr> <td>Supplier 4</td> <td>Did not quote</td> </tr> <tr> <td>Ecclesiastical</td> <td>£5734.85</td> </tr> </tbody> </table> <p>Notes to renewal prices</p> <p>The quote from Ecclesiastical does not include cover for the Dry Stone Wall (Church Wall) This was insured against fire /theft and vandalism. Brokers have suggested that the cost of coverage may outweigh the risk.</p> <p>The quote from Ecclesiastical includes professional valuation of all council buildings.</p>	Company	Cost based on entering 3 year LTA	Current supplier	£5588.37	Supplier 2	£8569.00	Supplier 3	£8207.25	Came & Company Brokers offered quotes from:		Supplier 4	Did not quote	Ecclesiastical	£5734.85
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5.0	<p>Recommendation:</p> <p>A recommendation will be made to the meeting when all prices have been confirmed and a summary of key cover can be provided.</p>														

Appendix 2 – Internal Audit Control:

<p>Summary: A report to:</p> <ul style="list-style-type: none"> • Review the effectiveness of the internal audit, and internal controls; • Review the policy on Financial (Internal) Control; 	
<p>Attachments: Policy for Financial (Internal) Control Terms of reference for Internal Audit Review of the effectiveness of the Internal Audit.</p>	
1.0	<p>Introduction</p> <p>Internal auditing is an independent, objective assurance designed to add value and improve a Council's operations.</p> <p>The aim of internal auditing is to act as a catalyst for improving an organisation's governance, risk management and management controls by providing insight and recommendations based on an assessment of an organisation's transactions, data and business processes.</p> <p>The scope of internal auditing is broad and may involve topics such as governance, risk management, management controls over the efficiency and effectiveness of operations (including safeguarding of assets), the reliability of financial and management reporting, and compliance with laws and regulations.</p> <p>Internal auditing may also involve conducting proactive investigations into fraud to identify control breakdowns and establish financial loss.</p> <p>The Council is required to take appropriate action on all matters raised in reports from internal and external audit. Failure to do this may lead to a qualified audit opinion.</p>
2.0	<p>The role of Councillors</p> <p>Councillors have oversight of the whole process of internal audit, risk management and internal control. The policy on Financial Internal Control sets this out in more detail.</p> <p>It is through this oversight, Members gain assurance that the Council is being run efficiently and effectively.</p> <p>In considering the reports of both internal and external auditors, as they are produced during the year, Councillors can determine any actions needed to improve the Council's performance.</p>
3.0	<p>Policy on Financial (Internal) Control</p> <p>The Council adopted a policy on Financial Controls in 2011. A revised version is shown in Appendix 1</p> <p>In line with Financial Regulations the Council has appointed an Internal Controls Councillor (ICC) (the Chairman of Finance); who, conducts quarterly checks in line with the Council's Policy and Financial regulations.</p> <p>Having considered the policy and subject to any amendments, the Council should resolve to adopt.</p>
4.0	<p>Internal Audit Service and its Terms of Reference</p> <p>The internal audit service is currently provided by NCalc (the Northamptonshire Association of local Councils), which provides the Council with an economical and efficient service meeting the needs of the Council.</p> <p>The terms of reference for internal audit are set out in Appendix 2 and are included for the completeness of the report but, do not fall due for review this year.</p>

Effectiveness of internal audit

The council should review the effectiveness of internal audit and Appendix 3 sets out how the internal audit is conducted in an independent manner and establishes the rights of the auditor to access all documents etc. The report reviews how the required standards are achieved and effectiveness maintained.

Council should review the report and, if satisfied, **resolve** to accept the review.

Recommendations:

1. Council re-adopts its policy on Financial Control (Appendix 1);
2. that the Council, having reviewed the effectiveness of the internal audit, confirms:
 - a) it is satisfied with the audit arrangements;
 - b) it's satisfaction at the effectiveness of the service.

Appendix 1**POLICY FOR FINANCIAL (INTERNAL) CONTROL****Introduction**

The Accounts and Audit Regulations [2015](#) defines the responsibilities of the Responsible Financial Officer (RFO) as ensuring the Council's day-to-day finances are run properly but it falls to the Council's members to exercise a proper and reasonable degree of control over financial matters.

[Internal controls are the activities that the council undertakes to prevent and detect fraud and ensure that the council's finances are maintained properly.](#)

Internal controls undertaken include:

- [Adhering to Financial Regulations.](#)
- All invoices are reviewed and approved by the RFO (or other officer as delegated by the RFO).
- Payroll function is contracted to a third party
- Cheques signed in accordance with bank mandate.
- Invoices are presented for review when cheques are signed.
- Cash is held securely and promptly banked.
- Bank reconciliations are carried out promptly and presented to the Finance committee

Internal Control Councillor (ICC)

The Council shall appoint an ICC, who shall have the delegated task of reviewing the internal controls on behalf of the Council.

The Internal Control Councillor should remain a cheque signatory but would only sign cheques in extremis.

Internal Control checks

The ICC shall carry out the following:

- A sample check to ensure all anticipated income has been received;
- Expenses are properly authorised before payment is made;
- The record of receipts and payments is kept up to date;
- That monthly bank reconciliations are carried out.
- A sample check to ensure that wages are paid in accordance with payscales and that pension contributions re correctly accounted for.
- A sample check to ensure that cash received has been properly accounted for and promptly banked.

All anomalies will be resolved with the Clerk/RFO and then the ICC shall present a report to Members of the Policy & Resources Committee.

The Council's Role:

To meet its overarching financial responsibilities the Council is responsible for appointing an Internal Auditor to maintain an adequate and effective system of audit. This responsibility shall be discharged through the appointment of an independent and suitably qualified auditor who is conversant with the regime of local government finance. The Council shall engage the services of the Internal Audit Service of Northants County Association of Local Councils to supply an appropriate auditor for this purpose.

To receive the reports of its Internal Auditor and take appropriate action on the recommendations therein.

To oversee the arrangements for internal control, the Council shall receive reports from its Policy & Resources Committee and the Internal Control Councillor.

To annually review the effectiveness of its internal controls and internal audit service.

To ensure adequate arrangements are in place to assess and mitigate risks to the Council.

The Council will operate, maintain, monitor and annually review its financial regulations.

The Finance Committee Role

The Finance Committee's role is to:

- Retrospectively approve all payments made since the previous meeting;
- Approve the monthly bank reconciliation, when completed.

The role of the Internal Auditor

The Internal Audit Service is available all year round. The appointed Auditor may be contacted during this period if required.

The Internal Auditor shall visit the Council at least once a year, more if requested. The duties of the IA are set out in the Terms of Reference for the Internal Audit Service.

An important part of the role of the Auditor is to report on the Council's Annual Return (a public document) the effectiveness of the Council's internal controls and financial systems.

Appendix 2

Internal Audit Service – Terms of Reference

Mission

To assist Raunds Town Council to maintain and improve internal control in accordance with proper practices as set out in the Accounts and Audit Regulations.

Internal Audit Objectives and Responsibilities

The primary objective of Internal Audit is to review, appraise and report upon the adequacy of internal control systems operating throughout the council, and to achieve this will adopt a predominantly systems-based approach to audit.

The Council's internal control system comprises the whole network of systems established within the council to provide reasonable assurance that the council's objectives will be achieved, with particular reference to:

- The effectiveness of operations
- The economic and efficient use of resources
- Compliance with applicable policies, procedures, laws and regulations
- The safeguarding of assets and interests from losses of all kinds, including those arising from fraud, irregularity and corruption
- The integrity and reliability of information, accounts and data

Accordingly, in the conduct of planned audits Internal Audit may:

- Carry out a selective assessment of compliance with relevant procedures and controls expected to be in operation during the financial year in order to be able to complete Section 4 (Annual internal audit report) of the Annual Return.
- Review the reliability and integrity of financial information and the means used to identify, measure, classify and report such information
- Review the means of safeguarding assets and, as appropriate, verify the existence of such assets.
- Appraise the economy and efficiency, with which resources are employed, identify opportunities to improve performance and recommend solutions to problems.
- Review the established systems to ensure compliance with those policies, procedures, laws and regulations which could have a significant impact on operations, and determine whether the council is in compliance.
- Review operations and activities to ascertain whether results are consistent with objectives and whether they are being carried out as planned.

The scope of Internal Audit Activity

- There are no limitations on Internal Audit's scope of work, which can cover any all of the council's activities. The scope of Internal Audit allows for unrestricted coverage of the council's activities, including both financial and non-financial systems of internal control.

Independence

The main determinant of the effectiveness of the Internal Audit is that it is and is seen to be independent in its planning and operation. To ensure this, Internal Audit will operate within a framework that allows:

- Unrestricted access to the officers of the council
- Reporting in its own name
- Segregation from the day to day operations of the council

Every effort will be made to preserve objectivity by ensuring that all Internal Auditors are free from any conflicts of interest and do not undertake any non-audit duties on behalf of the council.

Rights of Access

There are no limitations on Internal Audit's access to records. Internal Auditors have the authority to:

- Access council premises at reasonable times agreed in advance;
- Access all assets, records, documents, correspondence and control systems;
- Receive any information and explanation considered necessary concerning any matter under consideration;
- Require any employee of the council to account for cash, stores or any other council asset under his/her control;
- Access records belonging to third parties, such as contractors when required.

The Council's Responsibilities

The Responsible Financial Officer and Proper Officer of the Council have clearly defined responsibilities for Risk Management, Internal Control, Internal Audit and preventing Fraud and Corruption.

The existence of Internal Audit does not diminish the responsibility of the council to establish systems of internal control to ensure that activities are conducted in a secure and well-ordered manner.

Reporting

The Internal Auditor will formally report the results of audits and the recommendations made to council and will follow up at subsequent Internal Audits to make sure that corrective actions are taken.

Review of Terms of Reference

The Terms of Reference will be reviewed and updated as necessary every three years. Date of next scheduled review: February 2020

Appendix 3

Raunds Town Council - Review of Effectiveness of Internal Audit.

1. Meeting the standards

Expected Standard	Evidence of Achievement	Areas for Development
Scope of Internal Audit	<p>Terms of reference for Internal Controls (IC) and Internal Audit (IA) to be approved by the full Council September 2015.</p> <p>Scope of IA includes examination of any / all of the Council's policies, procedures, records, systems and documents, as requested by either the Clerk / RFO or Internal Auditor (IA).</p>	The Internal auditor to be asked to do work reviewing the councils policies (see separate report).
Independence	<p>IA has free and unfettered access to all records held by the Council, its Councillors or Officer at any reasonable time.</p> <p>Reports from IA to the Council are in the name of the IA and signed by them.</p> <p>IA acts completely independently of the Council, have no other business or personal connection with the Council.</p>	Approved terms of Reference in place.
Competence	There is no evidence that IA work has been carried out unethically or without integrity and objectivity	None at this time
Relationships	<p>Clerk / RFO makes contact with IA, at which time a discussion takes place as to the reason for the contact and the Council's requirements, including the scope of the IA work to be carried out eg advice, full audit at time of Annual Return (AR) etc.</p> <p>Responsibilities are defined in Financial Regs and this document.</p> <p>Responsibilities of Councillors and Officers are understood; relevant persons are appropriately trained.</p>	
Audit Planning and Reporting	<p>Recommendations in the report presented by the auditor will form the Audit Plan for this year.</p> <p>Additionally members of the Finance Committee</p>	None at this time

2. Characteristics of effectiveness

IA work is planned	<p>See comment above.</p> <p>IA is seen as a source of expertise and assistance, available to be called on if necessary.</p>	None at this time
Understanding the organisation	This is being established as the audits proceed.	None at this time

Expected Standard	Evidence of Achievement	Areas for Development
Be seen as a catalyst for change	Evidence of this in the pre audit review document. The role of IA is recognised both by the full Council and its P & R Committee.	None at this time
Add value and assist the Council in achieving objectives	Early indications are that this will flow from the audits. The review of the councils earmarked reserves and review of land ownership and registration will prove useful to the council in achieving their objectives.	None at this time
Be forward looking	IA is recognised as a conduit for the supply of information on change and development in governance etc issues	None at this time
Be challenging	Both the Council and the IA recognise their respective roles in encouraging ownership and development	None at this time
Ensuring resource is available for IA	The Council subscribes to a professional IA service	None at this time

Appendix 3

TOWN COUNCIL PARKING POLICY

Purpose:

The Council's parking policy seeks to clarify the conditions under which parking is permitted in council owned car parks and on council owned open spaces.

Town Council Car Parks

The Town Council is responsible for the following car parks:

- Saxon Hall Car Park
- Amos Lawrence Playing Field Car Park
- Marshalls Road Car Park
- The Square
- The Town Hall

Conditions of use of Council Car Parks:

1. No overnight stays are permissible at Amos Lawrence car park or The Hall, cars may be left overnight at Saxon Hall by prior arrangement.
2. All cars must be parked within designated bays only.
3. The Council reserves the right to designate parking bays for their own use within any car park.
4. No vehicle which exceeds 7.5 tons axle weight shall be taken onto any car park.
5. No vehicle which exceed xxx height shall be taken onto the car park at Marshalls Road..
6. All Council contractors must report to The Hall on arrival, and indicate where they have parked.
7. Only 'blue badge' holders may park in the disabled space(s) at any time.
8. All users must observe the Highway Code and all vehicles must be properly taxed and insured.

9. The Council expects everyone to comply with the Highway code and observe all parking regulations. All users must abide by any traffic signs and notices, whether permanent or temporary and any instructions given by Council staff.
10. The speed limit on all Council property is 5mph and drivers must proceed with caution. This limit must be adhered to at all times due to the presence of pedestrians.
11. It is prohibited to cause an obstruction.
12. It is prohibited to park in a location in which a notice prohibits any parking, for example outside emergency exits.
13. Council staff have authority to direct traffic on Council owned property, regulate entry to car parks, exercise control over parking and ensure compliance with the Council's parking regulations.
14. Use of the Car Park at the Hall is restricted to use by Councillors, Staff, Tenants and visitors to the Hall. No public parking is permitted.
15. With the exception of the Car Park at the Hall all parking is open to the public.
16. The Council reserves the right to restrict parking at any car park to facilitate any local events. This will include the regular Friday Market on The Square.
17. All vehicles are parked at the owner's risk and Raunds Town Council accepts no liability for the safety and security of such vehicles.

Most car crime is opportunist and you can put thieves off with vigilance and by taking the following simple precautions:

- Never leave a car door unlocked or a window/sun roof open
- Do not leave any belongings on display in your car (lock them in the boot)
- Security mark your stereo and if it's removable, always take it with you
- Do not leave credit cards or cheque books in a glove compartment
- Never leave your vehicle documents in your car
- Double check that all doors and windows are locked before leaving the car

18. The Saxon Hall Car Park barrier will remain open under normal circumstances. The Council reserves the right to close the barrier and stop access to the car park for reasons of security, undertake repairs or to stop anti-social behaviour.

Town Council Open Space

1. Parking is normally prohibited on all Town Council open space.
2. In certain circumstances the Town Council may grant the use of The Millfield or Bassfords Recreation Ground or Amos Lawrence Playing Field as parking areas for local events. This is only permissible either with the express written permission of the Town Clerk, on behalf of the Council or for Town Council events.
3. The Clerk may rescind any permission to park on open space if in the Clerks view the ground conditions are such that parking would cause damage to the land.
4. The Town Council will take any steps necessary to prohibit parking on open space as this is unsightly and/or damages the open space.