



Finance and Governance Committee

PRESS AND PUBLIC ARE WELCOME TO ATTEND

**Summons to attend meeting on Wednesday 10th July 2019 at 5:15pm
at the Council Offices, Market Street Carnforth**

- 19053 To receive apologies for absence
- 19054 To receive declarations of interest
- 19055 To consider Minutes of the meeting on Wednesday 12th June 2019
- 19056 To consider items of urgent business
- 19057 To adjourn the meeting for a period of public discussion
- 19058 To consider Payments list – June 2019 (attached)
- 19059 To consider Quarterly Budget Monitoring April – June 2019 (attached)
- 19060 To consider Community Benefit Fund applications
- 19061 To consider draft Standing Orders and Financial Regulations (attached)
- 19062 To consider draft Reserves Policy (attached)
- 19063 To receive an update on Carnforth Neighbourhood Plan funding & technical assessment
- 19064 To consider proposal for Land behind the Shovel Inn - Cllr P Gardner to report
- 19065 To consider proposal for the adoption of a policy for Honorary Freeman of Carnforth and suggested recipient(s) – Cllr P Gardner to report
- 19066 To consider update on the Local Council Award Scheme review
- 19067 To consider any updates on Committee activities

A handwritten signature in black ink, appearing to read 'Robert B. Bailey', with a long horizontal line underneath.

Town Clerk

05 July 2019

28 Wilson Grove, Heysham, Morecambe, LA3 2PQ

Tel: 07846 256 006

Email: clerk@carnforhtowncouncil.org



Finance and Governance Committee

Draft Minutes of the Finance & Governance Committee held on Wednesday 12th June 2019

Present: Councillors Grisenthwaite (Chair); Bromilow, Jones and Parker

In attendance: Bob Bailey, Town Clerk

19042 **Appointment of Chair and Deputy Chair:** It was proposed by Councillor Parker, seconded by Councillor Bromilow and **RESOLVED** unanimously that Councillor Gardner be appointed Chair and Councillor Grisenthwaite Deputy Chair of the Finance & Governance Committee for the Municipal year 2019 2020.

19043 **Apologies:** Apologies were received from Councillors Branyan and Gardner.

19044 **Declarations of Interest and Dispensations:** There were no declarations of interest or requests for dispensation for items on the Agenda.

19045 **Note of previous meeting:** Members **RESOLVED** that the notes of the previous 'business as usual' meeting of the Finance and Governance Committee held on 8th May 2019 be approved.

19046 **Urgent Business:** The Town Clerk reported that new signatures are required to authorise payments and transfers from the Town Council's bank accounts. Councillor Gardner had previously nominated three signatories to the accounts, being: Councillors Bromilow, Grisenthwaite and Parker. It was noted that two of the three signatories are required to authorise the payments. After some discussion it was **RESOLVED** that Councillors Bromilow, Grisenthwaite and Parker be appointed signatories.

The Town Clerk informed Members of his intention to include an item on the Agenda of the next meeting to review the Terms of Reference of this Committee. In advance of that Members were asked to consider whether the Asset Management Committee could be subsumed into the Finance and Governance Committee. There was a general discussion about this suggestion with any firm conclusion being held over until the next meeting.

Members were informed that following notice of the vacancy in the Crag Bank ward of the Town Council, three expressions of interest had been received. Having agreed the co-option process with the Town Mayor, details have been sent to each candidate asking them to submit a letter in support of their application.

Members were advised that having informed Lancaster City Council of the planned arrangements and the Notice of Casual Vacancy, they had confirmed that a new Councillor could be co-opted within a 'reasonable time' after the allowed 35 days following the local election. **ACTION:** Town Clerk to share the agreed co-option process with all Members.

19047 **Public discussion:** No members of the public were present.



Finance and Governance Committee

- 19048 **Insurance Renewal:** The Town Clerk outlined the insurance renewal policy schedule received from Zurich PLC. Members commented that the policy as presented provides adequate cover for the Town Council's current needs. It was noted, however, that the schedule of assets under the current policy will need to be amended for 2020/2021 in line with the planned review of the Town Council's assets to be carried out during the year. After some discussion, it was **RESOLVED** that the Town Council be recommended to approve the renewal of insurance cover with Zurich PLC for 2019/2020.
- 19049 **Land behind the Shovel Inn:** In the absence of Councillor Gardner it was **RESOLVED** to defer this agenda item for a future meeting
- 19050 **Honorary Freeman of the Town:** Members considered a proposal made by Councillor Gardner for a policy for the award of a 'Title of Dignity' to a person in recognition of significant contributions made to the local community. Councillor Gardner had also suggested two possible recipients of such an award, being former Town Councillors. There was some discussion about the purpose and benefits to the individual and the Town Council of this title and it was generally felt that this may be a suitable match for the nature and ethos of the work carried out by Town Councillors on behalf of the local community. There was a suggestion that this may be better served by a 'Long Service Award'. **ACTION:** That the matter be discussed further at the next meeting with a view to a recommendation being made to the Town Council.
- 19051 **Local Council Award Scheme:** The Town Clerk reported that no further progress had been made on assessing the Town Council against the Quality criteria on the Local Council Award Scheme. It was generally felt, however, that the Town Council had made enough progress in the last few years to meet many of the expected standards. Councillor Bromilow informed Members that she had carried out a similar assessment a few years ago with the former Town Clerk, although the conclusion of the assessment had not been subsequently submitted. **ACTION:** Councillor Bromilow offered to work with Councillor Gardner and the Town Clerk to take this forward and make a submission for Quality Status in due course.
- 19052 **Carnforth Neighbourhood Plan Funding:** The Town Clerk reported that Locality had only recently released application forms for the 2019/2020 neighbourhood plan funding. The Town Clerk has now applied for the balance of the funds available for the development of the neighbourhood plan (£5,003 excluding VAT). In addition, as requested, a further application has been made for technical support to carry out a Housing Needs Assessment, with funds available up to a maximum of £27,000. Members were informed that Locality had since complemented the application made for the additional support and arranged for the appointed technical support consultants, AECOM, to contact the Town Council to discuss the purpose of the Housing Needs Assessment and its objectives and outcomes.



Finance and Governance Committee

The Town Clerk reported that there has subsequently been a telephone conference with AECOM, involving Councillor Smith, two representatives from consultants helping with the Neighbourhood Plan. It had been very positive experience and all the signs are that funding to carry out the Housing Needs Assessment will be awarded in due course.

Members congratulated the Town Clerk and Councillor Smith and acknowledged the benefits and impact that a completed Housing Needs Assessment will have on the Carnforth Neighbourhood Plan.

- 19053 **Payments List:** The Town Clerk presented Members with the Payments List. It was noted that these included works carried out by Drainaway at the Civic Hall; supply of plants and flowers for the Town planters, including the new 'Carnforth train' planter and annual insurance with Zurich Municipal PLC. Members were advised that two additional payments from Eden Arts for recent Film Nights had just been received and were not included on the payments list.

It was noted that the total amount of expenditure to be considered by the Town Council is £5,851.47 (including VAT) and it was RESOLVED that Town Council be recommended to approve all payments, subject to clarification of the works carried out by Drainaway.

- 19054 **Information only update on activities:**

- a) **CCTV:** The Town Clerk reported that further to the decision of the Town Council to seek additional quotation(s) for the implementation of CCTV cameras in the town, he had contacted the officer leading the City Council and Vodafone partnership and received confirmation that the quotation already provided by them would be held. **ACTION:** Additional quotations to be followed up by Councillor Gardner and the Town Clerk.
- b) **Civic Hall – survey and options appraisal:** Councillor Grisenthwaite reported that JCA architects submitted their fee proposal and schedule of services relating to the long term planned maintenance and use of the Civic Hall. Two other architects have now been approached although no proposal has yet been received due to their work commitments and the local elections. **ACTION:** Councillor Grisenthwaite to follow up the additional service and fee proposals and report back to this Committee and/or the Town Council.
- c) **External Audit of Annual Governance & Accountability Return (AGAR):** The Town Clerk reported that he had now submitted the approved AGAR and supporting documents (including the report of the Internal Auditor) to PFK-Littlejohn, the external auditors. Members were informed that the statutory 'Notice of Public Rights and publication of Annual Governance and Accountability Return' will be published on Monday 17th June 2019. This enables the accounting and supporting records for the financial year to which the audit relates to be made available for inspection by any person interested, during a period of 30 working days ending on Friday 26th July.



Finance and Governance Committee

After some questions and discussion, it was **RESOLVED** that the Town Council be asked to reaffirm the dates for inspection of the Town Council's accounts.

The meeting closed at 6:10pm

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Town Clerk

14 June 2019

28 Wilson Grove, Heysham, Morecambe, LA3 2PQ

Tel: 07846 256 006; Email: clerk@carnforthtowncouncil.org

Carnforth Town Council
Summary of Receipts and Payments
All Cost Centres and Codes

5 July 2019 (2019 - 2020)

Administration

Code	Title	Receipts			Payments			Net Position
		Budgeted	Actual	Variance	Budgeted	Actual	Variance	+/- Under/over spend
43	Insurance				1,250.00	1,286.13	-36	-36
45	Postage				100.00		100	100
46	Telephone				120.00	10.00	110	110
47	Printing				400.00	139.00	261	261
48	Stationery				100.00		100	100
SUB TOTAL					1,970.00	1,435.13	535	535

Allowances

Code	Title	Receipts			Payments			Net Position
		Budgeted	Actual	Variance	Budgeted	Actual	Variance	+/- Under/over spend
27	Members				1,500.00		1,500	1,500
30	Mayor				900.00		900	900
SUB TOTAL					2,400.00		2,400	2,400

Capitl Expenditure

Code	Title	Receipts			Payments			Net Position
		Budgeted	Actual	Variance	Budgeted	Actual	Variance	+/- Under/over spend
12	Allotments				3,000.00		3,000	3,000
13	Bus Shelters				4,000.00		4,000	4,000
14	Speed Indicator Device							
SUB TOTAL					7,000.00		7,000	7,000

Carnforth Neighbourhood Plan

Code	Title	Receipts			Payments			Net Position
		Budgeted	Actual	Variance	Budgeted	Actual	Variance	+/- Under/over spend
66	Neighbourhood Plan Development							
67	Housing Needs Assessment							
SUB TOTAL								

Civic Hall

Code	Title	Receipts			Payments			Net Position
		Budgeted	Actual	Variance	Budgeted	Actual	Variance	+/- Under/over spend
1	Electricity				820.00	249.96	570	570
2	Heating Oil				3,750.00	495.00	3,255	3,255
3	Water rates				1,200.00	316.51	883	883
4	Cleaning				1,575.00	280.35	1,295	1,295
5	Repairs & Maintenance				1,500.00	610.00	890	890
6	Waste & Recycling				1,000.00	686.19	314	314
7	Drinks Machine	500.00	86.00	-414	520.00	156.00	364	-50
52	Hire	15,000.00	1,597.89	-13,402				-13,402

Carnforth Town Council

Summary of Receipts and Payments

5 July 2019 (2019 - 2020)

All Cost Centres and Codes

53 Civic Hall Manager's Flat	1,000.00		-1,000						
63 Capital Expenditure					2,000.00		2,000		2,000
SUB TOTAL	16,500.00	1,683.89	-14,816		12,365.00	2,794.01	9,571		-5,245

Committees

Code Title	Receipts			Payments			Net Position
	Budgeted	Actual	Variance	Budgeted	Actual	Variance	+/- Under/over spend
15 Assets				3,500.00	409.19	3,091	3,091
16 Town Development & Planning		25.00	25	3,000.00	580.00	2,420	2,445
SUB TOTAL		25.00	25	6,500.00	989.19	5,511	5,536

Council Office

Code Title	Receipts			Payments			Net Position
	Budgeted	Actual	Variance	Budgeted	Actual	Variance	+/- Under/over spend
64 Capital Expenditure				1,000.00		1,000	1,000
SUB TOTAL				1,000.00		1,000	1,000

Environment

Code Title	Receipts			Payments			Net Position
	Budgeted	Actual	Variance	Budgeted	Actual	Variance	+/- Under/over spend
58 Local Delivery Scheme	250.00		-250				-250
61 Grounds Maintenance				2,000.00	64.00	1,936	1,936
SUB TOTAL	250.00		-250	2,000.00	64.00	1,936	1,686

Events

Code Title	Receipts			Payments			Net Position
	Budgeted	Actual	Variance	Budgeted	Actual	Variance	+/- Under/over spend
32 Remembrance Day				2,000.00		2,000	2,000
33 Film Night	1,500.00	125.50	-1,375	1,500.00	623.34	877	-498
34 Twinning Association				200.00		200	200
35 By-election				4,000.00		4,000	4,000
56 Heritage Walk	25.00		-25				-25
68 Civic Sunday					565.00	-565	-565
69 Armed Forces Day					171.12	-171	-171
SUB TOTAL	1,525.00	125.50	-1,400	7,700.00	1,359.46	6,341	4,941

Expenses

Code Title	Receipts			Payments			Net Position
	Budgeted	Actual	Variance	Budgeted	Actual	Variance	+/- Under/over spend
20 Civic Hall Manager				180.00	45.00	135	135
21 Town Clerk				150.00	55.00	95	95
22 Outdoor Maintenance Officer				750.00	440.27	310	310

Carnforth Town Council
Summary of Receipts and Payments

5 July 2019 (2019 - 2020)

All Cost Centres and Codes

28 Members	200.00	49.33	151	151
31 Mayor	300.00		300	300
SUB TOTAL	1,580.00	589.60	990	990

ICT

Code Title	Receipts			Payments			Net Position
	Budgeted	Actual	Variance	Budgeted	Actual	Variance	+/- Under/over spend
36 Broadband				625.00	145.79	479	479
37 Hardware				250.00		250	250
38 Domain & Web-hosting				120.00	26.95	93	93
39 Software				1,300.00		1,300	1,300
SUB TOTAL				2,295.00	172.74	2,122	2,122

Newsletter

Code Title	Receipts			Payments			Net Position
	Budgeted	Actual	Variance	Budgeted	Actual	Variance	+/- Under/over spend
49 Printing				2,500.00	400.00	2,100	2,100
50 Distribution				1,800.00	300.00	1,500	1,500
54 Advertising	500.00	42.00	-458				-458
SUB TOTAL	500.00	42.00	-458	4,300.00	700.00	3,600	3,142

Other income

Code Title	Receipts			Payments			Net Position
	Budgeted	Actual	Variance	Budgeted	Actual	Variance	+/- Under/over spend
55 Sponsorship	600.00	694.25	94		72.00	-72	22
57 Bank Interest	25.00		-25				-25
SUB TOTAL	625.00	694.25	69		72.00	-72	-3

PAYE

Code Title	Receipts			Payments			Net Position
	Budgeted	Actual	Variance	Budgeted	Actual	Variance	+/- Under/over spend
26 PAYE				5,000.00	1,796.33	3,204	3,204
SUB TOTAL				5,000.00	1,796.33	3,204	3,204

Precept

Code Title	Receipts			Payments			Net Position
	Budgeted	Actual	Variance	Budgeted	Actual	Variance	+/- Under/over spend
59 Precept	78,198.00	78,198.00					
SUB TOTAL	78,198.00	78,198.00					

Carnforth Town Council
Summary of Receipts and Payments

5 July 2019 (2019 - 2020)

All Cost Centres and Codes

Professional Fees & Services

Code	Title	Receipts			Payments			Net Position
		Budgeted	Actual	Variance	Budgeted	Actual	Variance	+/- Under/over spend
40	Legal Fees				250.00		250	250
41	Internal Audit				300.00	120.00	180	180
42	External Audit				300.00		300	300
44	LALC Subscriptions				250.00		250	250
SUB TOTAL					1,100.00	120.00	980	980

Projects

Code	Title	Receipts			Payments			Net Position
		Budgeted	Actual	Variance	Budgeted	Actual	Variance	+/- Under/over spend
8	Civic Hall Feasibility Study				3,000.00		3,000	3,000
60	Carnforth Neighbourhood Plan							
SUB TOTAL					3,000.00		3,000	3,000

Salaries

Code	Title	Receipts			Payments			Net Position
		Budgeted	Actual	Variance	Budgeted	Actual	Variance	+/- Under/over spend
17	Civic Hall Manager				15,000.00	2,557.96	12,442	12,442
18	Town Clerk				12,500.00	2,518.29	9,982	9,982
19	Outdoor Maintenance Officer				4,258.00	567.54	3,690	3,690
SUB TOTAL					31,758.00	5,643.79	26,114	26,114

Training

Code	Title	Receipts			Payments			Net Position
		Budgeted	Actual	Variance	Budgeted	Actual	Variance	+/- Under/over spend
23	Civic Hall Manager				500.00		500	500
24	Town Clerk				300.00	75.00	225	225
25	Outdoor Maintenance Officer				200.00		200	200
29	Members				500.00	75.00	425	425
SUB TOTAL					1,500.00	150.00	1,350	1,350

War Memorial Gardens

Code	Title	Receipts			Payments			Net Position
		Budgeted	Actual	Variance	Budgeted	Actual	Variance	+/- Under/over spend
51	Electricity				300.00	301.04	-1	-1
62	Cleaning				2,000.00		2,000	2,000
65	Capital expenditure				500.00		500	500
SUB TOTAL					2,800.00	301.04	2,499	2,499

Carnforth Town Council
Summary of Receipts and Payments
All Cost Centres and Codes

5 July 2019 (2019 - 2020)

Summary

NET TOTAL	97,598.00	80,768.64	-16,829	94,268.00	16,187.29	78,081	61,251
V.A.T.		128.85			600.54		
GROSS TOTAL		80,897.49			16,787.83		



CARNFORTH TOWN COUNCIL

STANDING ORDERS

Conduct of Meetings

Ordinary Parish Council Meetings

1. Ordinary meetings will be held each month throughout the year - with the exception of the August meeting - on the third Wednesday of each month commencing at 6:30pm. Any variance to this will be as directed by the Council directs.
2. Meetings shall not take place in premises, which at the time of the meeting, are used for the supply of alcohol unless no other premises are available free of charge or at a reasonable cost.
3. When calculating the three clear days for notice of a meeting to councillors and the public, the day on which notice was issued, the day of the meeting, a Sunday, or a bank holiday or a day appointed for public thanksgiving or mourning shall not count.
4. Meetings shall be open to the public unless their presence is prejudicial to the public interest by reason of the confidential nature of the business to be transacted or for other special reasons. The public's exclusion from part or all of a meeting shall be by a resolution which shall give reasons for the public's exclusion.
5. Members of the public are permitted to make representations, answer questions and give evidence in respect of any item of business included in the agenda. The period of time designated for public participation shall be at the Chairman's discretion.
6. Each member of the public is entitled to speak once only in respect of business itemised on the agenda and shall not speak for more than 10 minutes.
7. A question asked by a member of the public during a public participation session at a meeting shall not require a response or debate.
8. A record of a public participation at a meeting shall be included in the minutes of that meeting.
9. A person shall raise his hand when requesting to speak and shall address his comments to the Chairman.
10. Only one person is permitted to speak at a time. If more than one person wishes to speak, the Chairman shall direct the order of speaking.
11. Photographing, recording, broadcasting or transmitting the proceedings of a meeting by any means is not permitted without the Council's prior consent.
12. The press shall be provided reasonable facilities for the reporting of all or part of a meeting at which they are entitled to be present.
13. Subject to standing orders which indicate otherwise, anything authorised or required to be done by, to or before the Chairman may in his absence be done by, to or before the Vice-Chairman.



CARNFORTH TOWN COUNCIL STANDING ORDERS

14. The Chairman, if present, shall preside at a meeting. If the Chairman is absent from a meeting, the Vice-Chairman, if present, shall preside. If both the Chairman and the Vice-Chairman are absent from a meeting, a Councillor as chosen by the Councillors present at the meeting shall preside at the meeting.
15. All questions / decisions at a meeting shall be decided by a majority of the Councillors present and voting thereon.
16. The Chairman may give an original vote on any matter put to the vote, and in the case of an equality of votes may exercise his casting vote whether or not he gave an original vote.
17. Unless standing orders provide otherwise, voting on any question shall be by a show of hands. At the request of a Councillor, the voting on any question shall be recorded so as to show whether each Councillor present and voting gave his vote for or against that question. Such a request shall be made before moving on to the next item of business on the agenda.
18. The minutes of a meeting shall record the names of Councillors present and absent.
19. If prior to a meeting, a Councillor has submitted reasons for his absence at the meeting which is then approved by a resolution, such resolution shall be recorded in the minutes of the meeting at which the approval was given.
20. The code of conduct adopted by the Council shall apply to Councillors in respect of the entire meeting.
21. An interest arising from the code of conduct adopted by the Council, the existence and nature of which is required to be disclosed by a Councillor at a meeting shall be recorded in the minutes.
22. No business may be transacted at a meeting unless at least one third of the whole number of members of the Council are present and in no case shall the quorum of a meeting be less than three.
23. If a meeting is or becomes inquorate no business shall be transacted and the meeting shall be adjourned. Any outstanding business of a meeting so adjourned shall be transacted at a following meeting.
24. Meetings shall not exceed a period of 3 hours.

Annual Meeting of the Parish Council

25. In an election year, the annual meeting of the Council shall be held on or within 14 days following the day on which the new councillors elected take office.
26. In a year, which is not an election year, the annual meeting of a Council shall be held on such day in May as the Council may direct.
27. If no other time is fixed, the annual meeting of the Council shall take place at 7:00pm.



CARNFORTH TOWN COUNCIL STANDING ORDERS

28. The election of the Chairman and Vice-Chairman of the Council shall be the first business completed at the annual meeting of the Council.
29. The Chairman of the Council, unless he has resigned or becomes disqualified, shall continue in office and preside at the annual meeting until his successor is elected at the next annual meeting of the Council.
30. The Vice-Chairman of the Council unless he resigns or becomes disqualified, shall hold office until immediately after the election of the Chairman of the Council at the next annual meeting of the Council.
31. In an election year, if the current Chairman of the Council has not been re-elected as a member of the Council, he shall preside at the meeting until a successor Chairman of the Council has been elected. The current Chairman of the Council shall not have an original vote in respect of the election of the new Chairman of the Council but must give a casting vote in the case of an equality of votes.
32. In an election year, if the current Chairman of the Council has been re-elected as a member of the Council, he shall preside at the meeting until a new Chairman of the Council has been elected. He may exercise an original vote in respect of the election of the new Chairman of the Council and must give a casting vote in the case of an equality of votes.
33. Following the election of the Chairman and Vice-Chairman of the Council at the annual meeting of the Council, the order of business shall be as follows.
 - In an election year, delivery by Councillors of their declarations of acceptance of office;
 - Confirmation of the accuracy of the minutes of the last meeting of the Council;
 - Review and adoption of appropriate standing orders and financial regulations;
 - Review of arrangements, including any charters, with other local authorities and review of contributions made to expenditure incurred by other local authorities;
 - Review of representation on or work with external bodies and arrangements for reporting back;
 - In a year of elections, if a Council's period of eligibility to exercise the power of wellbeing has expired to review and make arrangements to reaffirm eligibility;
 - Review of inventory of land and assets including buildings and office equipment;
 - Review and confirmation of arrangements for insurance cover in respect of all insured risks;
 - Review of the Council's and/or employees' memberships of other bodies;
 - Establishing or reviewing the Council's complaints procedure;
 - Establishing or reviewing the Council's procedures for handling requests made under the Freedom of Information Act 2000 and the Data Protection Act 1998;
 - Establishing or reviewing the Council's policy for dealing with the press/media;



CARNFORTH TOWN COUNCIL

STANDING ORDERS

- Setting the dates, times and place of ordinary meetings of the full Council for the year ahead.

Extraordinary meetings

34. The Chairman of the Council may convene an extraordinary meeting of the Council at any time.
35. If the Chairman of the Council does not or refuses to call an extraordinary meeting of the Council within **seven days** of having been requested to do so by two Councillors, those two Councillors may convene an extraordinary meeting of the Council. The statutory public notice giving the time, venue and agenda for such a meeting must be signed by the two Councillors.
36. The Chairman of a committee may convene an extraordinary meeting of the committee or sub-committee at any time.

Motions

Motions requiring written notice

37. No motion may be moved at a meeting unless it is included in the agenda or the mover has given written notice of its wording to the Council's Proper Officer at least **three clear days** before the next meeting.
38. The Proper Officer may, before including a motion in the agenda correct obvious grammatical or typographical errors in the wording of the motion.
39. If the Proper Officer considers the wording of a motion is not clear in meaning, the motion shall be rejected until the mover of the motion resubmits it in writing to the Proper Officer in clear and certain language at least **three clear days** before the meeting.
40. If the wording or nature of a proposed motion is considered unlawful or improper, the Proper Officer shall consult with the Chairman of the forthcoming meeting or, as the case may be, the Councillors who have convened the meeting, to consider whether the motion shall be included or rejected in the agenda.
41. Having consulted the Chairman or Councillors the decision of the Proper Officer as to whether or not to include the motion in the agenda shall be final.
42. Notice of every motion received in accordance with the Council's standing orders shall be numbered in the order received and shall be open to inspection by all Councillors.
43. Every motion rejected in accordance with the Council's standing orders shall be duly recorded with a note by the Proper Officer giving reasons for its rejection which shall be open to inspection by all Councillors.
44. Every motion and resolution shall relate to the Council's statutory functions, powers and lawful obligations or shall relate to an issue which specifically affects the Council's area or its residents.



CARNFORTH TOWN COUNCIL

STANDING ORDERS

Motions not requiring written notice

45. Motions in respect of the following matters may be moved without written notice.

- To appoint a person to preside at a meeting;
- To approve the absences of Councillors;
- To approve the accuracy of the Minutes of the previous meeting;
- To correct an inaccuracy in the Minutes of the previous meeting;
- To dispose of business, if any, remaining from the last meeting;
- To alter the order of business on the agenda for reasons of urgency or expedience;
- To proceed to the next business on the agenda;
- To close or adjourn debate;
- To refer by formal delegation a matter to a committee or to a sub-committee or an employee;
- To appoint a committee or sub-committee or any Councillors thereto;
- To receive nominations to a committee or sub-committee;
- To dissolve a committee or sub-committee;
- To note the minutes of a meeting of a committee or sub-committee;
- To consider a report and/or recommendations made by a committee or a sub-committee or an employee;
- To consider a report and/or recommendations made by an employee, professional advisor, expert or consultant;
- To authorise legal deeds to be signed by two councillors and witnessed;
- To authorise the payment of monies in accordance with Financial Regulations;
- To amend a motion relevant to the original or substantive motion under consideration which shall not have the effect of nullifying it;
- To extend the time limit for speeches;
- To exclude the press and public for all or part of a meeting;
- To silence or exclude from the meeting a Councillor or a member of the public for disorderly conduct;
- To give the consent of the Council if such consent is required by standing orders;
- To suspend any standing order except those which are mandatory by law;
- To adjourn the meeting;
- To appoint representatives to outside bodies and to make arrangements for those representatives to report back the activities of outside bodies;
- To answer questions from Councillors.



CARNFORTH TOWN COUNCIL

STANDING ORDERS

Rules of debate

46. Motions included in an agenda shall be considered in the order that they appear on the agenda unless the order is changed at the Chairman's direction for reasons of expedience.
47. A motion shall not be considered unless it has been proposed and seconded;
48. A motion included in an agenda not moved by the Councillor who tabled it, may be treated as withdrawn.
49. A motion to amend an original or substantive motion shall not be considered unless proper notice has been given and notice of such amendment, shall, if required by the Chairman, be given in writing and handed to the Chairman who shall determine the order in which they are considered.
50. A Councillor may move amendments to his own motion. If a motion has already been seconded, an amendment to it shall be with the consent of the seconder.
51. Any amendment to a motion shall be either:
 - to leave out words;
 - to add words;
 - to leave out words and add other words.
52. A proposed or carried amendment to a motion shall not have the effect of rescinding the original or substantive motion under consideration.
53. Only one amendment shall be moved and debated at a time, the order of which shall be directed by the Chairman. No further amendment to a motion shall be moved until the previous amendment has been disposed of.
54. One or more amendments may be discussed together if the Chairman considers this expedient but shall be voted upon separately.
55. The number of amendments to an original or substantive motion, which may be moved by a Councillor, is limited to one.
56. If an amendment is not carried, other amendments shall be moved in the order directed by the Chairman.
57. If an amendment is carried, the original motion, as amended, shall take the place of the original motion and shall become the substantive motion upon which any further amendment may be moved.
58. The mover of a motion or the mover of an amendment shall have a right of reply, not exceeding 10 minutes.
59. Where a series of amendments to an original motion are carried, the mover of the original motion shall have a right of reply in respect of the substantive motion at the very end of debate and immediately before it is put to the vote.



CARNFORTH TOWN COUNCIL STANDING ORDERS

60. A Councillor may not speak further in respect of any one motion except to speak once on an amendment moved by another Councillor or to make a point of order or to give a personal explanation.
61. During the debate of a motion, a Councillor may interrupt only on a point of order or a personal explanation and the Councillor who was interrupted shall stop speaking.
62. A Councillor raising a point of order shall identify the standing order which he considers has been breached or specify the irregularity he is concerned by in the meeting.
63. A point of order shall be decided by the Chairman and his decision shall be final.
64. With the consent of the seconder and/or of the meeting, a motion or amendment may be withdrawn by the proposer. A Councillor shall not speak upon the said motion or amendment unless permission for the withdrawal of the motion or amendment has been refused.
65. When a Councillor's motion is under debate no other motion shall be moved except to:
 - amend the motion;
 - proceed to the next business;
 - adjourn the debate;
 - put the motion to a vote;
 - ask a person to be silent or for him to leave the meeting;
 - refer a motion to a committee or sub-committee for consideration;
 - exclude the public and press;
 - adjourn the meeting;
 - suspend any standing order, except those which are mandatory.
66. The Chairman shall first be satisfied that the motion has been sufficiently debated before it is seconded and put to the vote. The Chairman shall call upon the mover of the motion under debate to exercise or waive his right of reply and shall put the motion to the vote after that right has been exercised or waived. The adjournment of a debate or of the meeting shall not prejudice the mover's right of reply at the resumption.

Questions

67. A Councillor may seek an answer to a question concerning any business of the Council provided **three clear days' notice** of the question has been given to the Proper Officer.
68. Questions not related to items of business on the agenda for a meeting shall only be asked during the part of the meeting set aside for such questions. Every question shall be put and answered without discussion.



CARNFORTH TOWN COUNCIL

STANDING ORDERS

Minutes

69. If a copy of the draft minutes of a preceding meeting has been circulated to Councillors no later than the day of service of the summons to attend the scheduled meeting they shall be taken as having been read.
70. No discussion of the draft Minutes of a preceding meeting shall take place except in relation to their accuracy. A motion to correct an inaccuracy in the Minutes shall be raised in accordance with these standing order (See *Motions* above)
71. Minutes, including any amendment to correct their accuracy, shall be confirmed by resolution and shall be signed by the Chairman of the meeting and stand as an accurate record of the meeting to which the Minutes relate.
72. Upon a resolution, which confirms the accuracy of the minutes of a meeting, any previous draft minutes or recordings of the meeting shall be destroyed.

Reverse of previous resolutions

73. A resolution (whether affirmative or negative) of the Council shall not be reversed within **six months** with the written notice of at least **three councillors** of the Council, or by special motion or recommendation of a committee.
74. When a special motion or any other motion has been disposed of, no similar motion may be moved within a further **six months**.

Voting on appointments

75. Where more than **two persons** have been nominated for a position to be filled by the Council and none of those persons has received an absolute majority of votes in their favour, the name of the person having the least number of votes shall be struck off the list and a fresh vote taken. This process shall continue until a majority of votes is given in favour of one person. Any tie may be settled by the Chairman's casting vote.

Committees

76. The Council may, at its annual meeting, appoint standing committees and may at any other time appoint such other committees as may be necessary, and:
 - shall determine their terms of reference;
 - may permit committees to determine the dates of their meetings;
 - shall appoint and determine the term of office of Councillor or non-councillor members of such a committee (unless the appointment of non-Councillors is prohibited by law);
 - may appoint substitute Councillors to a committee whose role is to replace ordinary Councillors at a meeting of a committee if ordinary Councillors of the committee have confirmed to the Proper Officer **three days** before the meeting that they are unable to attend;



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STANDING ORDERS

- an ordinary member of a committee who has been replaced at a meeting by a substitute member shall not be permitted to participate in debate or vote on business at that meeting and may only speak during any public participation session during the meeting;
- may in accordance with standing orders, dissolve a committee at any time.

Advisory committees

77. The Council may appoint advisory committees comprised of a number of Councillors and non-Councillors.
78. Advisory committees and any sub-committees may consist wholly of persons who are non-councillors.

Canvassing of and recommendations by Councillors

79. Canvassing Councillors or the members of a committee directly or indirectly, for appointment to or by the Council shall disqualify the candidate from such an appointment.
80. A Councillor or a member of a committee shall not solicit a person for appointment to or by the Council or recommend a person for such appointment or for promotion but may give a written testimonial of a candidate's ability, experience or character for submission to the Council with an application for appointment.

Inspection of documents

81. Subject to standing orders to the contrary or in respect of matters which are confidential, a Councillor may, for the purpose of his official duties (but not otherwise), inspect any document in the possession of the Council or a committee or a sub-committee, and request a copy for the same purpose. The Minutes of meetings of the Council or its committees shall be available for inspection by councillors.

Unauthorised activities

82. Unless authorised by a resolution, no individual Councillor shall in the name or on behalf of the Council or a committee:
 - inspect any land and/or premises which the Council has a right or duty to inspect; or
 - issue orders, instructions or directions.

Confidential business

83. Councillors shall not disclose information given in confidence or which they believe, or ought to be aware is of a confidential nature.
84. A councillor in breach of the provisions of standing order 83 above may be removed from a committee by a resolution of the Council.



CARNFORTH TOWN COUNCIL

STANDING ORDERS

Code of conduct

85. All councillors shall observe the code of conduct adopted by the Council being the Local Authorities (Model Code of Conduct) Order 2007.
86. Pursuant to relevant provisions in the statutory code of conduct in force at the time, Councillors may **only** exercise the rights contained in standing order 87 below only if members of the public are permitted to:
 - make representations;
 - answer questions;
 - give evidence relating to the business being transacted.
87. Councillors with a prejudicial interest in relation to any item of business being transacted at a meeting may:
 - make representations;
 - answer questions;
 - give evidence relating to the business being transacted but must, thereafter, leave the room.

Disorderly conduct

88. No person shall obstruct the transaction of business at a meeting or behave offensively or improperly.
89. If, in the opinion of the Chairman, there has been a breach of standing order 88 above, the Chairman shall express that opinion and thereafter any Councillor (including the Chairman) may move that the person be silenced or excluded from the meeting, and the motion, if seconded, shall be implemented directly and without further discussion.
90. If a resolution made in accordance with standing order 89 above, is disobeyed, the Chairman may take such further steps as may reasonably be necessary to enforce it and/or he may adjourn the meeting.

Allegations of breaches of the code of conduct

91. On receipt of a notification that there has been an alleged breach of the code of conduct the Proper Officer shall refer it the Council.
92. Where the notification relates to a complaint made by the Proper Officer, the Proper Officer shall notify the Chairman of that fact, who, upon receipt of such notification, shall nominate a person to assume the duties of the Proper Officer until the complaint is resolved.
93. The subject matter of notifications shall be confidential and, insofar as it is possible to do so by law, the Council (including the Proper Officer and the Chairman) shall take the steps set out below, together with other steps considered necessary, to maintain confidentiality:



CARNFORTH TOWN COUNCIL STANDING ORDERS

- Draft the summonses and agendas in such a way that the identity and subject matter of the complaint are not disclosed.;
 - Ensure that any background papers containing information in relation to the complaint are not made public;
 - Ensure that the public and press are excluded from meetings as appropriate;
 - Ensure that the Minutes of meetings preserve confidentiality;
 - Consider any liaison that may be required with the person or body with statutory responsibility for the investigation of the matter.
94. These standing orders will not prohibit the Council (whether through the Proper Officer or the Chairman) from disclosing information to members and officers of the Council or to other persons where such disclosure is necessary to deal with the complaint or is required by law.
95. The Council shall have the power to:
- seek documentary and other evidence from the person with responsibility for investigation of the matter;
 - seek and share information relevant to the complaint;
 - grant the Member involved a financial indemnity in respect of legal costs, which shall be in accordance with the law and subject to approval by a meeting of the Council.
96. References to a notification shall be taken to refer to a communication of any kind which relates to a breach or an alleged breach of the code of conduct by a Councillor.

Power of wellbeing (England)

97. Before exercising the power to promote wellbeing, a meeting of the full Council shall have passed a resolution to confirm it has satisfied the prescribed statutory criteria required to qualify as an eligible parish council.
98. The Council's period of eligibility begins on the date that the resolution was made and expires on the day before the annual meeting of the Council.
99. After the expiry of its preceding period of eligibility, the Council continues to be an eligible council solely for the purpose of completing any activity undertaken in the exercise of the power to promote wellbeing which was not completed before the expiry of the Council's period of eligibility.

Matters affecting council employees

100. If a meeting considers any matter personal to a Council employee, it shall not be considered until the Council has decided whether or not the press and public shall be excluded.



CARNFORTH TOWN COUNCIL STANDING ORDERS

101. Subject to the Council's policy regarding absences from work, the Clerk shall notify the Chairman, or in his absence, the Vice-Chairman, of any absence occasioned by illness or urgency and that person shall report such absence to next meeting of the Council.
102. The Chairman or in his absence, the Vice-Chairman shall conduct a review of the performance and/or appraisal of the Clerk and shall keep a written record of it.
103. The review and/or appraisal shall be reported back and shall be subject to approval by resolution by the Council.
104. Subject to the Council's policy regarding the handling of grievance matters, the Clerk shall contact the Chairman or in his absence, the Vice-Chairman in respect of an informal or formal grievance matter and this matter shall be reported back and progressed by resolution of the Council.
105. Subject to the Council's policy regarding the handling of grievance and disciplinary matters, if an informal or formal grievance matter raised by the Clerk relates to the Chairman or Vice-Chairman of the Council this shall be communicated to another member of the Council which shall be reported back and progressed by resolution of the Council.
106. The Chairman shall be responsible for the management of the Clerk and shall keep written records of all meetings relating to their performance, and capabilities, grievance and disciplinary matters.
107. Records documenting reasons for the Clerk's absence due to ill health or details of a medical condition shall be made available only to members of the Council at the Chairman's discretion.
108. Only the Chairman shall have access to employee records referred to these standing orders.
109. Access and means of access by keys and/or computer passwords to records of employment shall be provided only to the Clerk and/or the Chairman of the Council.

Relations with the press/media

110. All requests from the press or other media for an oral or written statement or comment from the Council shall be processed in accordance with the Council's policy in respect of dealing with the press and/or other media.
111. In accordance with the Council's policy in respect to dealing with the press and/or other media, Councillors shall not, in their official capacity, provide oral or written statements or written articles to the press or other media.



CARNFORTH TOWN COUNCIL

STANDING ORDERS

Liaison with City and County Councillors and Members of Parliament

112. Unless the Council otherwise orders an open invitation to attend any of the Council's meetings will be sent annually to the City and County Councillor's representing its ward and to the Member of Parliament for Morecambe and Lunesdale.
113. As directed by the Council, an invitation to attend a specific meeting of the Council shall be sent, together with the agenda, to the Councillor of the City and/or County Council representing its electoral ward.

Proper Officer

114. The Council's Proper Officer shall be either the Clerk or such other employee appointed by the Council to undertake the role of the Proper Officer during the Proper Officer's absence. The Proper Officer and the employee appointed to act as such during the Proper Officer's absence shall fulfil the duties assigned to the Proper Officer in standing orders.
115. The Council's Proper Officer shall do the following.
 - Sign and serve on Councillors by delivery or post at their residences a summons confirming the time, date, venue and the agenda of a meeting of the Council at least **three clear days** before the meeting;
 - Give public notice of the time, date, venue and agenda at least **three clear days** before a meeting of the Council (provided that the public notice with agenda of an extraordinary meeting of the Council convened by councillors is signed by them);
 - Include in the agenda all motions in the order received unless a Councillor has given written notice at least **three days before** the meeting confirming his withdrawal of it;
 - Convene a meeting of full Council for the election of a new Chairman of the Council, occasioned by a casual vacancy in his office;
 - Make available for inspection the Minutes of meetings;
 - Receive and retain copies of byelaws made by other local authorities;
 - Receive and retain declarations of acceptance of office from councillors;
 - Retain a copy of every Councillor's register of interests and any changes to it and keep copies of the same available for inspection;
 - Keep proper records required before and after meetings;
 - Process all requests made under the Freedom of Information Act 2000 and Data Protection Act 1998, in accordance with and subject to the Council's procedures relating to the same;
 - Receive and send general correspondence and notices on behalf of the Council except where there is a resolution to the contrary;
 - Manage the organisation, storage of and access to information held by the Council in paper and electronic form;



CARNFORTH TOWN COUNCIL

STANDING ORDERS

- Arrange for legal deeds to be **signed by two Councillors and witnessed**
- Arrange for the prompt authorisation, approval, and instruction regarding any payments to be made by the Council in accordance with the Council's Financial Regulations.
- Record every planning application notified to the Council and the Council's response to the local planning authority in the Minutes of the meeting;
- Refer a planning application received by the Council to the Chairman or in his absence the Vice-Chairman of the Council **within two working days** of receipt to facilitate an extraordinary meeting if the nature of a planning application requires consideration before the next ordinary meeting of the Council;
- Action or undertake activity or responsibilities instructed by resolution or contained in standing orders.

Expenditure

116. Any expenditure incurred by the Council shall be in accordance with the Council's Financial Regulations.
117. The Council's Financial Regulations shall be reviewed once a year.
118. The Council's Financial Regulations may make provision for the authorisation of the payment of money in exercise of any of the Council's functions to be delegated to a committee, sub-committee or to an employee.

Accounts and Financial Statement

119. All payments by the Council shall be authorised, approved and paid in accordance with the Council's Financial regulations, which shall be reviewed at least annually.
120. The RFO shall supply to Council as soon as practicable after 31 March, 30 June, 30 September and 31 December in each year a statement summarising the Council's receipts and payments for each quarter and the balances held at the end of the quarter. This statement should include a comparison with the budget for the financial year.
121. A Financial Statement prepared on the appropriate accounting basis for a year to 31 March shall be presented to Council before the end of May each year. The Statement of Accounts of the Council (which is subject to external audit), including the annual governance statement, shall be presented to Council for formal approval before 30 June.

Estimates / Precepts

122. The Council shall approve written estimates for the coming financial year at its meeting before the end of February.
123. Any committee desiring to incur expenditure shall give the Proper Officer a written estimate of the expenditure recommended for the coming year no later than the end of January.



CARNFORTH TOWN COUNCIL

STANDING ORDERS

Financial matters

124. The Council shall consider and approve Financial Regulations drawn up by the Clerk which shall include detailed arrangements in respect of the following:
- the accounting records and systems of internal control;
 - the assessment and management of financial risks faced by the Council;
 - the work of the Internal Auditor and the receipt of regular reports from the Internal Auditor, which shall be required at least annually;
 - the inspection and copying by Councillors and local electors of the Council's accounts and/or orders of payments;
 - procurement policies including the setting of values for different procedures where the contract has an estimated value of less than £20,000.
125. Any proposed contract for the supply of goods, materials, services and the execution of works with an estimated value in excess of £20,000 shall be procured on the basis of a formal tender.
126. Any formal tender process shall comprise the following steps:
- a public notice of intention to place a contract to be placed in a local newspaper;
 - a specification of the goods, materials, services and the execution of works;
 - tenders sent in a sealed marked envelope to the Clerk by a stated date and time;
 - tenders submitted opened after the stated closing date and time by the Clerk and at least one member of the Council;
 - tenders assessed and reported to the appropriate meeting of Council or Committee.
127. Neither the Council, nor any committee, is bound to accept the lowest tender, estimate or quote.
128. Where the value of a contract is likely to exceed EU Regulations thresholds the Council must consider whether the Public Contracts Regulations 2006 or the Utilities Contracts Regulations 2006 apply to the contract and, if either of those Regulations apply, the Council must comply with EU procurement rules.

Execution and sealing of legal deeds

129. A legal deed shall not be executed on behalf of the Council unless the same has been authorised by a resolution.
130. Any two members of the Council, may sign, on behalf of the Council, any deed required by law and the Proper Officer shall witness their signatures



CARNFORTH TOWN COUNCIL

STANDING ORDERS

Freedom of Information Act 2000

131. All requests for information held by the Council shall be processed in accordance with the Council's policy in respect of handling requests under the Freedom of Information Act 2000.
132. Correspondence from, and notices served by, the Information Commissioner shall be referred by the Clerk to the Council. The Council shall have the power to do anything to facilitate compliance with the Freedom of Information Act 2000 including exercising the powers of the Clerk in respect of Freedom of Information requests

Variation, revocation and suspension of standing orders

133. Any or every part of the standing orders, except those which are mandatory by law, may be suspended by resolution in relation to any specific item of business.
134. A motion to permanently add to or to vary or to revoke one or more of the Council's standing orders not mandatory by law shall be carried where two-thirds of the Councillors at a meeting of the Council vote in favour.

Standing orders to be given to Councillors

135. The Proper Officer shall provide a copy of the Council's standing orders to a Councillor upon delivery of his declaration of acceptance of office.
136. The Chairman's decision as to the application of standing orders at meetings shall be final.
137. A Councillor's failure to observe standing orders more than three times in one meeting may result in him being excluded from the meeting.



CARNFORTH TOWN COUNCIL

FINANCIAL REGULATIONS

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. 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 financial control which facilitates the effective exercise of the council's functions, including arrangements for the management of risk and for the prevention and detection of fraud and corruption. These financial regulations are designed to demonstrate how the council meets these responsibilities.
- 1.2 The Responsible Financial Officer (RFO) is a statutory office and shall be appointed by the council. [The Town Clerk has been appointed as RFO for this council and these regulations will apply accordingly.] The RFO, acting under the policy direction of the Council, shall administer the Council's financial affairs in accordance with proper practices. The RFO shall determine on behalf of the council its accounting records, and accounting control systems. The RFO shall ensure that the accounting control systems are observed and that the accounting records of the council are maintained and kept up to date in accordance with proper practices.
- 1.3 The RFO shall produce financial management information as required by the council.
- 1.4 At least once a year, prior to approving the annual return, the council shall conduct a review of the effectiveness of its system of internal control which shall be in accordance with proper practices.
- 1.5 In these financial regulations, references to the Accounts and Audit Regulations shall mean the 2015 Regulations.
- 1.6 In these financial regulations the term 'proper practice' or 'proper practices' shall refer to guidance issued in Governance and Accountability in local Councils in England and Wales – a Practitioners' Guide which is published jointly by NALC and SLCC and updated from time to time.

2 ANNUAL ESTIMATES (BUDGET)

- 2.1 The RFO shall formulate and submit proposals to the Council in respect of revenue and capital including the use of reserves and sources of funding for the following financial year not later than the end of January each year.
- 2.2 Detailed estimates of all receipts and payments including the use of reserves and all sources of funding for the year shall be prepared each year by the RFO in the form of a budget to be considered by the council.

- 2.3 The Council shall review the budget not later than the end of January each year and shall fix the Precept to be levied for the ensuing financial year. The RFO shall issue the precept to the billing authority and shall supply each member with a copy of the approved budget.
- 2.4 The annual budgets shall form the basis of financial control for the ensuing year.
- 2.5 The Council shall consider the need for and shall have regard to a three-year forecast of Revenue and Capital Receipts and Payments which may be prepared at the same time as the annual Budget.

3 BUDGETARY CONTROL

- 3.1 Expenditure on revenue items may be incurred up to the amounts included for that class of expenditure in the approved budget.
- 3.2 No expenditure may be incurred that will exceed the amount provided in the revenue budget for that class of expenditure. During the budget year and with the approval of council having considered fully the implications for public services, unspent and available amounts may be moved to other budget headings or to an earmarked reserve as appropriate.
- 3.3 The RFO shall regularly provide the Council with a statement of receipts and payments to date under each head of the budgets, comparing actual expenditure to the appropriate date against that planned as shown in the budget. These statements are to be prepared at least at the end of each financial quarter.
- 3.4 The RFO may incur expenditure on behalf of the Council which is necessary to carry out any repair replacement or other work which is of such extreme urgency that it must be done at once, whether or not there is any budgetary provision for the expenditure, subject to a limit of £500. The RFO shall report the action to the Council as soon as practicable thereafter.
- 3.5 Unspent provisions in the revenue budget shall not be carried forward to a subsequent year unless placed in an earmarked reserve by resolution of the council.
- 3.6 No expenditure shall be incurred in relation to any capital project and no contract agreed or tender accepted involving capital expenditure unless the Council is satisfied that the necessary funds are available, or the requisite borrowing approval has been obtained.
- 3.7 All capital works shall be administered in accordance with the Council's standing orders and financial regulations relating to contracts.

4 ACCOUNTING AND AUDIT

- 4.1 All accounting procedures and financial records of the Council shall be determined by the RFO in accordance with the Accounts and Audit Regulations and any subsequent amendments thereto.
- 4.2 The RFO shall complete the annual financial statements of the Council, including the council's annual return, as soon as practicable after the end of the financial year and shall submit them and report thereon to the Council.
- 4.3 The RFO shall complete the Accounts of the Council contained in the Annual Return (as supplied by the Auditor appointed from time to time by the Government) and shall submit the Annual Return for approval and authorisation by the Council within the timescales set by the Accounts and Audit Regulations or set by the Auditor.
- 4.4 The RFO shall ensure that there is adequate and effective system of internal audit of the Council's accounting, financial and other operations in accordance with Regulation 5 of the Accounts and Audit Regulations and any subsequent amendments thereto. Any officer or member of the Council shall, if the RFO or Internal Auditor requires, make available such documents of the Council which appear to the RFO or Internal Auditor to be necessary for the purpose of the internal audit and shall supply the RFO or Internal Auditor with such information and explanation as the RFO or Internal Auditor considers necessary for that purpose.
- 4.5 The Internal Auditor shall be appointed by and shall carry out the work required by the council in accordance with proper practices. The Internal Auditor, who shall be competent and independent of the operations of the Council, shall report to Council in writing, or in person, on a regular basis with a minimum of one annual written report in respect of each financial year. To demonstrate objectivity and independence, the internal auditor shall be free from any conflicts of interest and have no involvement in the financial decision making, management or control of the council.
- 4.6 The RFO shall make arrangements for inspection of the accounts, books, and vouchers and for the display or publication of any Notices and statements of account required by Audit Commission Act 1998 and the Accounts and Audit Regulations, and any subsequent amendments thereto.
- 4.7 The RFO shall, as soon as practicable, bring to the attention of all councillors any correspondence or report from the Internal or External Auditor, unless the correspondence is of a purely administrative matter.

5 BANKING ARRANGEMENTS AND CHEQUES

- 5.1 The Council's banking arrangements, including the Bank Mandate, shall be made by the RFO and approved by the Council. They shall be regularly reviewed for efficiency.
- 5.2 A schedule of the payments required, forming part of the Agenda for the Meeting shall be prepared by the RFO and, together with the relevant invoices, be presented to Council. If the schedule is in order it shall be authorised by a resolution of the Council and shall be initialled by the Chairman of the Meeting. If more appropriate the detail may be shown in the Minutes of the Meeting.
- 5.3 Cheques drawn on the bank account in accordance with the schedule referred to in paragraph 5.2 or in accordance with paragraph 6.4, shall be signed by two members of Council.
- 5.4 To indicate agreement of the details shown on the cheque or order for payment with the counterfoil and the invoice or similar documentation, the signatories shall each also initial the cheque counterfoil and the invoice if applicable.

6 PAYMENT OF ACCOUNTS

- 6.1 All payments shall be by cheque or other order drawn on the Council's bankers.
- 6.2 All invoices for payment shall be examined, verified and certified by the RFO. The RFO shall satisfy him/herself that the work, goods or services to which the invoice relates shall have been received, carried out, examined and approved.
- 6.3 The RFO shall examine invoices in relation to arithmetic accuracy and shall analyse them to the appropriate expenditure heading. The RFO shall take all steps to settle all invoices submitted, and which are in order, at the next available Council Meeting.
- 6.4 If a payment is necessary to avoid a charge to interest under the Late Payment of Commercial Debts (Interest) Act 1998, and the due date for payment is before the next scheduled Meeting of Council, where the RFO certifies that there is no dispute or other reason to delay payment, the RFO may take all steps necessary to settle such invoices provided that a list of such payments shall be submitted to the next appropriate meeting of Council.
- 6.5 The Council will not maintain any form of cash float. All cash received must be banked intact. Any payments made in cash by the RFO (for example for postage or minor stationery items) shall be refunded on a regular basis, at least monthly.

7 PAYMENT OF SALARIES

- 7.1 As an employer, the Council shall comply with the statutory requirements placed on all employers by PAYE and National Insurance legislation. The payment of all salaries shall be made in accordance with payroll records and the rules of PAYE and National Insurance currently operating, and salaries shall be as agreed by Council.
- 7.2 Payment of salaries and payment of deductions from salary such as may be made for tax, national insurance and pension contributions, may be made in accordance with the payroll records and on the appropriate dates stipulated in employment contracts, provided that each payment is reported to and ratified by the next available Council Meeting.

8 LOANS AND INVESTMENTS

- 8.1 All loans and investments shall be negotiated in the name of the Council and shall be for a set period in accordance with Council policy.
- 8.2 The Council shall consider the need for an Investment Policy which, if drawn up, shall be in accordance with relevant regulations, proper practices and guidance. Any Policy shall be reviewed at least annually.
- 8.3 All investments of money under the control of the Council shall be in the name of the Council.
- 8.4 All borrowings shall be 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 terms and conditions of borrowings shall be reviewed at least annually.
- 8.5 All investment certificates and other documents relating thereto shall be retained in the custody of the RFO.

9 INCOME

- 9.1 The collection of all sums due to the Council shall be the responsibility of, or under the supervision of, the RFO.
- 9.2 Particulars of all charges to be made for work done, services rendered, or goods supplied shall be agreed annually by the Council, notified to the RFO and the RFO shall be responsible for the collection of all accounts due to the Council.
- 9.3 The Council will review all fees and charges annually, following a report of the Clerk.
- 9.4 Any sums found to be irrecoverable and any bad debts shall be reported to the Council and shall be written off in the year.
- 9.5 All sums received on behalf of the Council shall be banked intact as directed by the RFO. In all cases, all receipts shall be deposited with the Council's bankers with such frequency as the RFO considers necessary.

- 9.6 The origin of each receipt shall be entered on the paying-in slip.
- 9.7 Personal cheques shall not be cashed out of money held on behalf of the Council.
- 9.8 The RFO shall promptly complete any VAT Return that is required. Any repayment claims due in accordance with VAT Act 1994 section 33 shall be made at least annually coinciding with the financial year end.
- 9.9 Where any significant sums of cash are regularly received by the Council, the RFO shall take such steps as are agreed by the Council to ensure that more than one person is present when the cash is counted in the first instance, that there is a reconciliation to some form of control such as ticket issues, and that appropriate care is taken in the security and safety of individuals banking such cash.

10 ORDERS FOR WORK, GOODS AND SERVICES

- 10.1 An official order or letter shall be issued for all work, goods and services unless a formal contract is to be prepared or an official order would be inappropriate. Copies of orders shall be retained.
- 10.2 All members and the RFO are responsible for obtaining value for money at all times. Anyone placing an official order shall ensure as far as reasonable and practicable that the best available terms are obtained in respect of each transaction, usually by obtaining three or more quotations or estimates from appropriate suppliers, subject to any de minimis provisions in Regulation 11.1 below.
- 10.3 The RFO shall verify the lawful nature of any proposed purchase before the issue of any order, and in the case of new or infrequent purchases or payments, the RFO shall ensure that the statutory authority shall be reported to the meeting at which the order is approved so that the Minutes can record the power being used.

11 CONTRACTS

- 11.1 Every contract shall comply with these financial regulations, and no exceptions shall be made otherwise than in an emergency.
- 11.2 These regulations shall not apply to contracts which relate to items a) to f) below:
 - a) for the supply of gas, electricity, water, sewerage and telephone services;
 - b) for specialist services such as are provided by solicitors, accountants, surveyors and planning consultants;
 - c) 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;

- d) for work to be executed or goods or materials to be supplied which constitute an extension of an existing contract by the Council;
- e) for additional audit work of the external Auditor up to an estimated value of £250. For payments in excess of this sum the RFO shall act after consultation with the Chairman and Vice Chairman of Council;
- f) for goods or materials proposed to be purchased which are proprietary articles and/or are only sold at a fixed price.

- 11.3 Where it is intended to enter into a contract exceeding £25,000 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 set out in 11.2) the Clerk shall invite tenders from at least three firms to be taken from the appropriate approved list.
- 11.4 When applications are made to waive financial regulations relating to contracts to enable a price to be negotiated without competition the reason shall be embodied in a recommendation to the Council.
- 11.5 Such invitation to tender shall state the general nature of the intended contract and the RFO shall obtain the necessary technical assistance to prepare a specification in appropriate cases. The invitation shall in addition state that tenders must be addressed to the Clerk in the ordinary course of post. Each tendering firm shall be supplied with a specifically marked envelope in which the tender is to be sealed and remain sealed until the prescribed date for opening tenders for that contract.
- 11.6 All sealed tenders shall be opened at the same time on the prescribed date by the RFO in the presence of at least one member of Council.
- 11.7 If less than three tenders are received for contracts above £20,000 the Council may make such arrangements as it thinks fit for procuring the goods or materials or executing the works.
- 11.8 When it is to enter into a contract less than £20,000 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 11.2) the RFO shall obtain 3 quotations (priced descriptions of the proposed supply); where the value is below £1,000 and above £100 the RFO shall strive to obtain 3 estimates. Otherwise, Regulation 10.3 above shall apply.
- 11.9 The Council shall not be obliged to accept the lowest or any tender, quote or estimate and will, in normal circumstances accept the most advantageous tender based on quality and price.

12 PAYMENTS UNDER CONTRACTS FOR BUILDING OR OTHER CONSTRUCTION WORKS

- 12.1 Payments on account of the full contract sum shall be made within the time specified in the contract by the RFO upon authorised certificates of the architect or other consultants engaged to supervise the contract (subject to any percentage withholding as may be agreed in the particular contract).
- 12.2 Where contracts provide for payment by instalments the RFO shall maintain a record of all such payments. In any case where it is estimated that the total cost of work carried out under a contract, excluding agreed variations, will exceed the contract sum of 5% or more a report shall be submitted to the Council.
- 12.3 Any variation (addition to, or omission from) a contract must be approved by the Council and RFO and issued to the Contractor in writing. The Council must be informed where the final cost is likely to exceed the financial provision.

13 ASSETS, PROPERTIES AND ESTATES

- 13.1 The RFO shall ensure that an appropriate and accurate Register of Assets and Investments is kept up to date. The continued existence of tangible assets shown in the Register shall be verified at least annually, possibly in conjunction with a health and safety inspection of assets.
- 13.2 No property shall be 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 £50.

14 INSURANCE

- 14.1 Following the annual risk assessment (per Financial Regulation 15), the RFO shall arrange all insurance cover and negotiate all claims on the Council's insurers.
- 14.2 The RFO shall give prompt notification to insurers of all new risks, properties or vehicles which require to be insured and of any alterations affecting existing insurances.
- 14.3 The RFO shall keep a record of all insurances effected by the Council and the property and risks covered thereby and annually review it.
- 14.4 The RFO shall be notified of any loss liability or damage or of any event likely to lead to a claim and shall report these to Council at the next available meeting.
- 14.5 The RFO and any other appropriate employees of the Council shall be included in a suitable fidelity guarantee insurance which shall cover the maximum risk exposure as determined by the Council.

15 RISK MANAGEMENT

- 15.1 The RFO shall prepare and promote risk management policy statements in respect of all activities of the Council.
- 15.2 When considering any new activity, the RFO shall prepare a draft Risk Management policy for the activity and shall bring a draft addressing the legal and financial liabilities and Risk Management issues that arise to Council for consideration and, if thought appropriate, adoption.
- 15.3 The Council shall carry out a Risk Assessment on an annual basis in accordance with the Accounts and Audit Regulations and any subsequent amendments thereto. The minutes shall record such review of the Council's financial and other risks.

16 REVISION OF FINANCIAL REGULATIONS

- 16.1 It shall be the duty of the Council to review the Financial Regulations of the Council from time to time. The Town Clerk shall make arrangements to monitor changes in legislation or proper practices and shall advise the council of any requirement for a consequential amendment to these financial regulations.



Carnforth Town Council

Draft Reserves Policy

Introduction

The Council is required, under statute, to maintain adequate financial reserves to meet the needs of the organisation. Section 50 of the Local Government Finance Act 1992 requires that billing and precepting authorities in England and Wales have regard to the level of reserves needed to meet estimated future expenditure when calculating the budget requirement.

The Council's policy on the establishment, maintenance and adequacy of reserves and balances will be considered annually.

The Council will hold reserves for these three main purposes;

- A working balance to help cushion the impact of uneven cash flows and avoid unnecessary temporary borrowing – this forms part of the general reserves;
- A contingency to cushion the impact of unexpected events or emergencies- this also forms part of the general reserves;
- A means of building up funds, often referred to as earmarked reserves, to meet known or predicated requirements; earmarked reserves are accounted for separately but remain legally part of the general fund.

The 2018/19 Internal Audit Report advised the Council as follows:

The level of reserves at the end of the year (£17k at 31/03/2019) is much reduced against the previous year (£29k at 31/03/2018), reflecting higher financial demands during 2018/2019. The increase in precept for 2019/20 is justified with reference to this additional spending and to spending plans for 2019/20.

Given the above, it is important that robust financial monitoring continues during 2019/20 and that work is continued to assess financial risks and determine an appropriate level of reserves in the long-term.

General Fund Balance

The general fund balance, commonly termed the 'working balance', is a balance on the council's revenue account which is not held for any specific purpose other than to cushion the council's finance against any unexpected short-term purposes in the council's cash flow.

The general fund balance is to be maintained at a level based upon a risk assessment carried out annually by the Finance and Governance Committee, supported by the Responsible Finance Officer (RFO) when setting the budget for the forthcoming year.



Carnforth Town Council

Draft Reserves Policy

Any surplus on the reserve above the required balance may be used to fund capital expenditure, be appropriated to earmarked reserves or used to limit any increase in the precept.

Financial Risk Management

To assess the adequacy of the general fund when setting the annual budget, the Finance and Government Committee will take account of the strategic, operational and financial risks facing the council. The requirement of the level of the general fund balance for the forthcoming year will therefore be based upon risk assessment of the council's main areas of income and expenditure and consider any provisions and contingencies that may be required.

The main items to be considered are:

Financial Risk	Analysis of Risk
Loss of staff due to long term sickness – Contractually salaries must be paid for 6 months.	Council could not function effectively – Additional costs would be incurred to pay for staff cover.
Pay inflation is greater than budgeted.	The cost of living increase is above the level allowed for in the estimates.
Contractual inflation is greater than budgeted.	A general assumption is made when estimating the percentage increase on rates and utilities. This may increase above budgeted inflation. Professional and other services costs increase above estimate.
By-Elections expenses greater than budgeted amount.	As assumption is made that an average ward by-election would cost £6,000 and this amount is included within the budget each year – see earmarked reserves.
Insurance Claims	Good claims management (cost of excess on 10 claims per year)

Statutory Reserves

Local Authorities also hold reserves that arise out of the interaction of legislation and proper accounting practices. Carnforth Town Council has no requirements to maintain statutory reserves.



Carnforth Town Council

Draft Reserves Policy

Earmarked Reserves

Earmarked Reserves represent amounts that are generally built up over a period which are earmarked for specific items of expenditure to meet known or anticipated liabilities or projects. The 'setting aside' of funds to meet known future expenditure reduces the impact of meeting the full expenditure in one year. The Council, when establishing an earmarked reserve will set out:

- The reason/purpose of the reserve;
- How and when the reserve can be used;
- Procedures for the management and control of the reserve; a process and timescale for review of the reserve to ensure continuing relevance and adequacy.

The following earmarked reserves will be held by the Council:

No	Purpose of Reserve	Amount (£)
1	Asset Replacement Fund (office equipment, SpID; Bus Shelters; Civic Hall equipment)	To be confirmed
2	Election Fund	£6,000
3	Planned Capital Expenditure	To be confirmed
	Total	To be confirmed

Review of the adequacy of balances and reserves

In accessing the adequacy of reserves the strategic, operational and financial risks facing the authority will be considered. The level of earmarked reserves will be reviewed as part of the annual budget preparation.

Bob Bailey

Responsible Finance Officer

July 2019