Staveley
Town Council

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To: **Members of the Policy, Finance and Publicity Committee of Staveley Town Council**

15 July 2025

Dear Councillor

You are hereby summoned to attend a meeting of the Policy, Finance and Publicity Committee to be held at 6.00 pm on Tuesday 22 July 2025 in Committee Room 1 at The Speedwell Rooms.

Members are asked to sign the attendance sheet for the meeting, available in the room.

In the interests of the smooth running of the meeting, queries about any of the items on the agenda are requested to be submitted 2 days prior to the meeting to enable the Clerk to provide a comprehensive response.

Please ensure that confidential papers are kept secure prior to, and not left in the meeting room following, the meeting.

Yours sincerely

Sabrina Doherty
Town Clerk and Financial Officer

RECORDING OF COUNCIL MEETINGS

Under the Openness of Local Govt. Bodies Regulations 2014, members of the public may now film, photograph and make audio recordings of the proceedings of the formal Council meeting, though not, under current legislation, of the Public Participation session, as this is not part of the formal agenda of the meeting.

Recording activity should be respectful to the conduct of the meeting and behaviour that disrupts the meeting (such as oral commentary) will not be permitted. The Clerk will record meetings for the purposes of the minutes.

AGENDA

1. Election of Chairman of the Committee

2. Election of Vice-Chairman of the Committee

3. To Note Apologies for Absence

4. To Receive Declarations of Interests
Members are invited to declare disclosable pecuniary interests and other interests in items on the Agenda as required by the Staveley Town Council Code of Conduct for members and by the Localism Act 2011.

5. Minutes of the Previous Meeting
To approve and sign the minutes of the meeting held on 29 October 2024 as a correct record.

6. Draft Reserves Policy
To consider the draft reserves policy for recommendation to Council.

7. Statement of Internal Control Review
To review the Council's statement of Internal Control and existing procedures and make recommendations to Council.

8. Draft IT Policy
To consider the draft IT Policy for recommendation to Council.

9. Communications Update
To note the report of the Assistant Clerk.

10. Income Generation
To consider ideas for the generation of income to alleviate pressure on the precept and make recommendations to Council.

11. Schedule of Meetings 2025-26
To confirm the draft schedule of future meetings as follows:
21 October 2025
10 February 2026
21 April 2026

Committee Members: Cllr M Bagshaw, B Dyke, S Hartley, P Jacobs, P Mann, D Rhodes and E Tidd

STAVELEY TOWN COUNCIL

Minutes of a meeting of the Policy, Finance and Publicity Committee held at 6.00 pm on Tuesday 29 October 2024 in the Frecheville room at Staveley Hall.

Present:

Cllr M Bagshaw	Cllr P Mann
Cllr C Jackson	Cllr E Tidd (Chair)
Cllr P Jacobs	

In attendance: Mrs S Doherty (Town Clerk & RFO)

PFP2425/1 **Election of Chair**
RESOLVED: That Councillor E Tidd be elected Chair of the Committee for the 2024-25 Municipal Year.

PFP2425/2 **Election of Vice-Chair**
RESOLVED: That this item be deferred pending the vacant seat being filled.

PFP2425/3 **To Note Apologies for Absence**
Apologies were received from Councillor Dyke.

PFP2425/4 **To Receive Declarations of Interests**
No declarations were made.

PFP2425/5 **Minutes of the Previous Meeting**
A Councillor sought clarity on a matter discussed in the last meeting. Explanations were provided.

RESOLVED: That the minutes of the meeting held on Tuesday, 20 February 2024 be confirmed and signed as a correct record.

PFP2425/6 **Draft Terms of Reference**
Councillors considered the draft terms of reference presented.

RECOMMENDED:
That Council approve the draft terms of reference, subject to amendments clarifying that no delegated decision-making was allowed by the Committee.

PFP2425/7 **Draft Staff Training and Development Policy**
Councillors considered the draft policy. The Clerk explained that this was necessary as part of the final documentation required for the application for the Local Council Award Scheme.

There were no suggestions for amendment.

RECOMMENDED:
That Council approve and adopt the Draft Staff Training and Development Policy.

PFP2425/8 **Draft Risk Management Policy, Strategy and Register**

Councillors considered the draft policy. The Clerk explained that this was also required as part of the Local Council Award Scheme application but that the internal auditor had also recommended that the risk register be improved as the original one had been very light for a complex council such as this.

RECOMMENDED:
That Council approve and adopt the Draft Risk Management Policy, Strategy and Register.

PFP2425/9 **Draft Budget 2025-26**

Councillors considered the draft documents and discussed various lines of proposed expenditure. In response to a query the Clerk explained that the initial estimate of a 5% increase in precept income did not automatically equate to a 5% increase on the existing precept. This figure could not be calculated until the Council Tax base was received from the Borough Council which would not normally be until December at the earliest.

It was further explained that a 0% increase would be irresponsible given the circumstances and the impact on future precepts this would present. The 5 year financial plan indicated that the Council would end up going backwards from the end of 2028 if there was no additional income generation and the council continued with its current trajectory.

In response to a query the Clerk explained that the forecasted expenditure and presentation of actuals did not necessarily mean that an underspend in one year would demand the reduction of that budget for a future year. If the Council knew it wished to undertake a project or was expecting an increased cost for which it did not hold earmarked reserves then it would need to maintain or increase the budget for the relevant line accordingly. Some lines where there were current underspends were due to a lack of capacity to undertake a procurement exercise, or the spend was expected at the back end of the year and the forecast required updating. Councillors were reminded that the figures presented were a rough draft for initial discussions to take place in order to direct the Clerk’s work.

Consideration was given to the Market operation and the costs to the Council when it was not making enough money to cover those costs.

In response to a suggestion for provision of flooding support it was explained by a Councillor that this was the duty of the Environment Agency and the County Council and that the Council should first seek to apply pressure on these organisations to improve and maintain their flood defence mechanisms.

RECOMMENDED:
That the Council seek to negotiate to exit the Market Agreement.

The Chair declared the meeting closed at 19:26pm.

Signed: ________________________________

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FINANCIAL RESERVES POLICY

Adopted by Full Council on:

1. Purpose

1.1 Staveley Town Council is required to maintain adequate financial reserves to meet the needs of the organisation. The purpose of this policy is to set out how the Council will determine and review the level of reserves.

1.2 Sections 32 and 43 of the Local Government Finance Act 1992 require local authorities to have regard to the level of reserves needed for meeting estimated future expenditure when calculating the budget requirement. The level of reserves required will vary according to local circumstances, and will be informed by their longer-term spending plans. There is no specified minimum or maximum level of reserves that an authority should hold. It is the responsibility of the Responsible Financial Officer (RFO) and Councillors to determine the level of reserves and to ensure that there are procedures for their establishment and use.

1.3 The Good Councillors Guide to Finance and Transparency 2024 suggests that a council should typically hold between 3 and 12 months net expenditure as a general (revenue) reserve. If the reserve is too low then it may not be enough to cover unexpected expenditure or emergencies, whilst if it is too high then local electors have paid a tax which is not being used for the benefit of the local community.

2. Types of Reserves

2.1 Revenue Reserves can be categorised as “general” (held to cushion the impact of uneven cash flows or unexpected events) or “earmarked” (held for a specific purpose). In view of Council expenditure approaching £830k and a precept of around £570k per year, the RFO recommends that the general reserve should stand at a figure of around £250k to cushion cash flows or for unexpected events, and a further £100k to cover potential upcoming revenue expenditure on elections, repairs, building maintenance costs on the Council’s properties including its various listed buildings, and matters (including legal fees) associated with safeguarding the Council’s assets to benefit the local community and its residents. At 31st March 2025 Revenue Reserves stood at £311,338.25 plus CIL funds of £166,456.19.

2.2 Earmarked or “specific” Reserves can be held for several reasons. As the name suggests the Reserves comprise amounts which are “earmarked” for specific items of expenditure to meet known or predicted liabilities or projects. Specific Reserves can be used to “smooth” the effects of certain expenditure commitments over a period of time thereby reducing the impact of significant expenditure in any one year. “Earmarked” reserves are typically held for four main reasons:

a) Renewals – to plan and finance an effective programme of equipment replacement, planned property repair and maintenance or grounds maintenance. These reserves are a mechanism to smooth expenditure so that a sensible replacement programme can be achieved without the need to vary budgets. Earmarked Reserves currently include, for instance, annual provisions towards a replacement van, new computer equipment, and election costs.

b) To carry forward an under-spend - some projects have ring-fenced budgets that may be under spent in a specific year, examples might be Christmas Festivities or Britain in Bloom. Earmarked reserves are used as a mechanism to carry forward these resources.

c) To indicate commitment to capital projects, such as refurbishments to the Council’s buildings or improvements to land holdings such as allotments.

d) Other earmarked reserves - may be set up from time to time to meet known or predicted liabilities.

At 31st March 2025 Earmarked Reserves totalled £94,939.60 (exc CIL). A full list is shown in the monthly management accounts and the year-end Unaudited Financial Statements.

2.3 <u>Community Investment Levy (CIL) Reserve</u> represents the value of CIL funds passed over to the Council from the District Council, but which has yet to be spent on infrastructure items. At 31st March 2025 the CIL Reserve stood at £166,456.19.

2.4. <u>Usable Capital Receipts Reserves</u> represent capital receipts available to finance capital expenditure in future years. The Council has not currently considered any major capital expenditure projects.

3. Monitoring and Reviewing Reserves

3.1 General Revenue Reserves will be reviewed at each year end in conjunction with the year's surplus or deficit being added or subtracted. The Council must at all times keep a minimum balance sufficient to pay two month's salaries to staff and associated expenses e.g. National Insurance and Tax contributions. For 2025/26 two months' salaries would amount to around £35k.

3.2 As part of the review Councillors will be asked to consider a transfer of all or part of the value of net gains from the General Revenue Reserve Fund to either the Capital or Earmarked Reserves funds.

3.3 Earmarked Reserves are established on a "needs" basis in line with anticipated requirements. Councillors review the levels and are asked to approve any additions and carry forward balances at the end of each financial year.

3.4 The CIL reserve is monitored monthly within the Council's Management Accounts. The Council must spend each tranche of CIL funds within five years of receipt. CIL Regulation 59C requires funds to be spent on the provision, improvement, replacement, operation or maintenance of infrastructure or anything else that is concerned with addressing the demands that development place on an area.

3.5 Usable Capital Receipts Reserves will also be reviewed at each year end for justification and reasonableness. Capital Reserves cannot be transferred to Revenue Reserves.

3.6 Any decision to transfer balances from the Revenue Reserves must be reviewed by the Policy, Finance and Publicity (PFP) Committee and recommended to Full Council for formal approval.

3.7 Expenditure from Reserves is subject to compliance with the Council's Financial Regulations in the normal way.

3.8 Revenue Reserves should not be held to fund ongoing expenditure.

3.9 Reviewing the Council's Financial Risk Assessment is part of the annual budgeting by Committees and the year-end accounting procedures. Part of this process may identify planned and unplanned expenditure items and thereby indicate where specific additional reserves may need to be added to Earmarked Reserves

4. Principles to Assess the Adequacy of Balances and Reserves

4.1 A considerable degree of professional judgement is required in making any financial assessment and the RFO can only be expected to provide advice with the help and possible guidance from Councillors and other advisory sources.

4.2 Setting the budgets is the responsibility of the individual Committees in collaboration with the RFO, reviewed by the PFP Committee and a recommendation then made to full Council for ratification and formal approval. This forms the foundation of setting the precept.

Adopted by Full Council on:

4.3 In order to assess the adequacy of Reserves when setting the budget, both the RFO and the Committees should take account of the strategic, operational and financial risks facing the Committees / Council. The financial risks should be assessed in the context of the Council's overall approach to risk management. The RFO should ensure that the Council has put in place effective arrangements for internal audit of the control environment and systems of internal control.

4.4 Setting the level of Reserves is just one of several related decisions in the formulation of the long and medium term financial strategy as well as the budget for a particular year. Account should be taken of the key financial assumptions underpinning the budget alongside a consideration of the Council's financial management arrangements. In addition to the cash flow requirements of the Council the following factors should be considered:

- Inflation and interest rates – consider borrowings/debts and inflationary pressure on rental income, salaries, utilities and other contracts and purchase requirements;
- Estimates of the level and timing of future capital receipts
- The Town Council's capacity to manage in-year budget pressures, particularly where demand can lead to pressure
- Planned efficiency savings / productivity gains
- The financial risks inherent in any significant new funding partnerships, major outsourcing arrangements or major capital developments.
- The adequacy of the insurance arrangements to cover major unforeseen risks.
- Availability of other funding sources, e.g. Section 106 or CIL monies or grants for projects.

4.5 Balancing the annual budget by drawing on “General” or “Emergency” Reserves (ie planning a budget deficit) must be viewed as a legitimate short-term option only. Such reserves must not be deployed to finance recurrent expenditure.

5. Governance concerning Financial Reserves

5.1 The policy on Reserves will be reviewed annually following the Council’s year end.

5.2 This will include a report from the RFO, prepared in collaboration with the PFP Committee, on the adequacy of the Reserves (Revenue, Earmarked, CIL and Capital) taking into account the forthcoming financial year and the Council's medium and long-term financial plans or projects.

5.3 The RFO in collaboration with the PFP Committee should review the levels of Earmarked Reserves held and make recommendations to Full Council on creation of additional Reserves as well as the extinction of redundant Earmarked Reserves as part of the approval of the year-end Financial Statements.

Adopted by Full Council on:

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STATEMENT OF INTERNAL CONTROL

Introduction

Staveley Town Council is responsible for ensuring that its business is conducted in accordance with the law and proper standards, and that the public money is safeguarded and properly accounted for as well as being used economically, efficiently and effectively. In discharging this overall responsibility, the Council is also responsible for ensuring that there is a sound system of internal control which facilitates the effective exercise of the Council's functions and which includes arrangements for the management of risk.

The System of Internal Control

The system of internal control is designed to manage risk to a reasonable level rather than to eliminate all risk of failure to achieve policies, aims and objectives; it can therefore only provide reasonable and not absolute assurance of effectiveness.

The system of internal control is based on an ongoing process designed to :

a) identify and prioritise the risks to the achievement of the Council's policies, aims and objectives.

b) evaluate the likelihood of those risks being realised and the impact should they be realised.

c) manage them efficiently, effectively and economically.

The system of internal control will be in place at the Council for the fiscal year and up to the date of approval of the accounts. This accords with the proper practice as laid down by the Council's Financial Regulations.

The Council's Internal Controls

The Council's Chair

The Council has elected a Chair who is responsible for the smooth running of meetings and for ensuring that all Council decisions are lawful. The Council reviewed its obligations and objectives and approved the level of precept and individual budgets for the following financial year at its January meeting.

Full Council

The full Council meets at least once a month and monitors progress against its aims and objectives at each meeting by reviewing and ratifying the recommendations of the Policy, Finance and Publicity Committee and by receiving relevant reports from the Town Clerk and Financial Officer. The Council carries out regular reviews of its internal controls, systems and procedures.

Policy, Finance and Publicity Committee

The Council's Policy, Finance and Publicity Committee monitors progress against objectives, financial systems and procedures, budgetary control and carries out regular reviews of financial matters. It makes recommendations to the full Council.

Risk Management

The Council adopted its risk management strategy in January 2016 and has been compiling risk assessments for relevant risks and activities.

The Clerk

The Council appoints a Town Clerk and Financial Officer who acts as the Council's advisor and administrator. The Clerk manages and administers the Council's finances and is responsible for the day to day compliance with laws and regulations which the Council is subject to and for managing risks as well as ensuring adherence to the Council's procedures, control systems and policies.

Payments

Most payments are currently made by BACS. All payments are reported to the Council for approval, resolution and minuting.

Bank Reconciliations

According to the Council's Financial Regulations, a member other than the Chair or a bank signatory is appointed to verify bank reconciliations for all accounts once in each quarter. That member signs the reconciliations and the original bank statements as evidence of verification.

Internal Audit

The Council appoints an independent Internal Auditor who reports to the Council on the adequacy of its:

- financial records
- procedures
- systems
- internal control regulations
- risk management
- reviews

The effectiveness of the internal audit is reviewed annually.

External Audit

The Council's External Auditors, PKF Littlejohn, submit an annual certificate of Audit, which is presented to the Council.

Effectiveness

The Council has a responsibility for conducting an annual review of the effectiveness of its systems of internal controls. The review of the effectiveness of the system of internal controls is informed by the work of the:

- Policy, Finance and Publicity Committee
- Full Council
- Town Clerk and Financial Officer who has responsibility for the development and maintenance of the internal control environment and the management of risks
- Independent Internal Auditor who reviews the Council's systems of internal controls
- External Auditors, PKF Littlejohn, who make the final check using the Annual Return, a form completed and signed by the Town Clerk and Financial Officer, the Chair and the Internal Auditor
- Number of significant issues which are raised during the year

Internal Control Issues

The Council's Internal Auditor conducts their review of the Council's financial procedures in April/May and then makes recommendations in his report.

The Council strives for the continuous improvement of the system it has adopted for internal control and has addressed all the minor issues and weaknesses raised and reported during the review process.

Date for Next Review:

IT Policy

Adopted by Full Council on:

1. Introduction

Staveley Town Council recognises the importance of effective and secure information technology (IT) and email usage in supporting its business, operations, and communications.

This policy outlines the guidelines and responsibilities for the appropriate use of IT resources and email by council members, employees, volunteers, and contractors.

2. Scope

This policy applies to all individuals who use Staveley Town Council's IT resources, including computers, networks, software, devices, data, and email accounts.

3. Acceptable use of IT resources and email

Staveley Town Council IT resources and email accounts are to be used for official council-related activities and tasks. Limited personal use is permitted, provided it does not interfere with work responsibilities or violate any part of this policy. All users must adhere to ethical standards, respect copyright and intellectual property rights, and avoid accessing inappropriate or offensive content.

4. Device and software usage

Where possible, authorised devices, software, and applications will be provided by Staveley Town Council for work-related tasks.

Unauthorised installation of software on authorised devices, including personal software, is strictly prohibited due to security concerns.

5. Data management and security

All sensitive and confidential Staveley Town Council data should be stored and transmitted securely using approved methods. Regular data backups should be performed to prevent data loss, and secure data destruction methods should be used when necessary. The Council has an MS365 back-up contract in place with a third party provider.

6. Network and internet usage

Staveley Town Council's network and internet connections should be used responsibly and efficiently for official purposes. Downloading and sharing copyrighted material without proper authorisation is prohibited.

7. Email communication

Email accounts provided by Staveley Town Council are for official communication only. Emails should be professional and respectful in tone. Confidential or sensitive information must not be sent via email unless it is encrypted.

Be cautious with attachments and links to avoid phishing and malware. Verify the source before opening any attachments or clicking on links.

8. Password and account security

Staveley Town Council users are responsible for maintaining the security of their accounts and passwords. Passwords should be strong and not shared with others. Regular password changes are encouraged to enhance security.

9. Mobile devices and remote Work

Mobile devices provided by Staveley Town Council should be secured with passcodes and/or biometric authentication. When working remotely, users should follow the same security practices as if they were in the office.

10. Email monitoring

Staveley Town Council reserves the right to monitor email communications to ensure compliance with this policy and relevant laws. Monitoring will be conducted in accordance with the Data Protection Act and GDPR.

11. Retention and archiving

Emails should be retained and archived in accordance with legal and regulatory requirements. Regularly review and delete unnecessary emails to maintain an organised inbox.

12. Reporting security incidents

All suspected security breaches or incidents should be reported immediately to the designated IT point of contact for investigation and resolution. Report any email-related security incidents or breaches to the IT administrator immediately.

13 Training and awareness

Staveley Town Council will provide regular training and resources to educate users about IT security best practices, privacy concerns, and technology updates. All employees and councillors will receive regular training on email security and best practices.

14. Compliance and consequences

Breach of this IT and Email Policy may result in the suspension of IT privileges and further consequences as deemed appropriate.

15. Policy review

This policy will be reviewed annually to ensure its relevance and effectiveness. Updates may be made to address emerging technology trends and security measures.

16. Contacts

For IT-related enquiries or assistance, users can contact namespace by email: support@namespace.rocks or telephone 01332 418700.

All staff and councillors are responsible for the safety and security of Staveley Town Council's IT and email systems. By adhering to this IT and Email Policy, Staveley Town Council aims to create a secure and efficient IT environment that supports its mission and goals.

Adopted by Full Council on: