



You are hereby summoned to attend the meeting of Haverhill Town Council to be held in The Studio, Town Hall, High Street, Haverhill, on Tuesday 1st February 2011 commencing at 7.00 p.m., for the purpose of transacting the following business

CONSTITUTION: Town Mayor: Cllr. E McManus
 Town Councillors: L Ager,
 L Burgess, M Byrne,
 L Carr, P French,
 A Gower, P Hanlon,
 P McManus, M Marks,
 Mrs M Martin, G Price,
 K Richardson, A Samuels
 Mrs A Snape and C Turner

AGENDA

1. **Apologies for Absence**
 Please give any apologies to the office by 5.00p.m. of the day of the meeting.
2. **Declaration of Interests**
 For Members to declare any interests they may have on items on the agenda.
3. **To confirm Minutes of Meeting held 18th January 2011**
4. **To deal with any urgent matters arising from the Minutes not covered by this agenda**
5. **Mike Mottram, Suffolk County Council re School Crossing Patrols**
 To receive a presentation and agree support for the patrols.
6. **Inspector Chris Galley, Suffolk Police**
 To discuss Policing issues in the Town.

PUBLIC FORUM

7. **Appointment of Town Clerk**
 To ratify the decision of the Town Clerk appointment panel to appoint Paul Little as Town Clerk with effect from 1st April 2011.
8. **For Members to be Briefed on, and Understand the Implications of, the Localism Bill (attached)**
 For Members to be briefed on, and understand the implications of, the Localism Bill

9. **Budgets 2011/2012**
To agree the budgets and precept for 2011/2012.
10. **To Note Changes to the Library Service and Agree Any Necessary Action (attached)**
To note changes to the Library Service and agree any necessary Action
11. **Review of Audit Arrangements**
To review the arrangements for internal audit (attached).
12. **Review of Risks**
To review the Council's major risks (attached).
13. **Meeting Dates 2012/2013**
To agree the meeting dates for Council year 2012/2013 (attached).
14. **To Agree the Dates and Formats for 2011 Open-Air Meetings**
The Council is asked to approve these as weeks commencing 11th and 25th July.
15. **To Note The Current Financial Situation of the Council**
To note the current financial situation (attached).

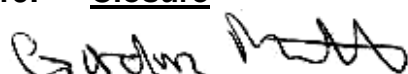
16. **To authorise payments.**
To authorise the following cheque lists:-

Date	Cheque No.s	Value
21.12.10	6473-6492	£7844.93
21.12.10	6493	£189.68
11.01.11	6494-6518	£11,324.89
11.01.11	6519-6520	34,152.59
18.01.11	6521-6534	£11,613.69

17. **Correspondence**
- a) St Edmundsbury Borough Council – Street Vending Permit, Peas Hill and section of High Street
To comment on the application
 - b) Days Inn – Financial Contribution to Tourist Information Signage
To contribute towards the costs of signage
 - c) Haverhill & District Flower Club
To accede to a request to fund a Flower Festival in 2013

- 18 **To receive urgent correspondence**

19. **Closure**



Gordon Mussett
Town Clerk

DATE: 20th January 2011

Review of Audit Arrangements

The Accounts and Audit (Amendment)(England) Regulations 2006 are aimed at strengthening governance and accountability of Town and Parish Councils through new requirements related to internal control and internal audit. The regulations require the Town Council to:-

Carry out a review of the effectiveness of internal audit

Consider the findings of this review

Carry out a review of the systems of internal control

Consider the findings of this review

The reviews must be carried out in accordance with “proper practices”. However there is no statutory definition of “proper practices” and thus relevant bodies are expected to identify the appropriate guidance, which is, for the Town Council, “Governance and Accountability in Local Councils in England and Wales, A Practitioners Guide 2003”. This publication was revised and reissued in 2008.

Internal Audit

In adopting good practice the Town Council should review the internal audit procedure, and that the review should consider, at a minimum, the following points

1. Is the internal auditor (internal audit function) independent of the financial control/management of the council?
2. Is the internal auditor competent?
3. Is the level of internal audit proportionate to the needs, size and circumstance of the council?
4. Is the scope of the internal audit fit for purpose (in relation to the above question)?

In responding to these questions, the council needs to take the following into account:

Independence of financial control/management requires the internal auditor to be someone other than a member of staff or a councillor; all councillors are involved in the financial management; even if the council has a finance committee, there are a number of decisions that must be taken by the full council, e.g. setting the precept.

Competence - does the internal auditor understand the role of internal audit? The role includes reviewing systems rather than just checks on cash book entries; is there an understanding of risk management and the powers and duties applicable to parish councils? i.e. an awareness of the legal framework in which they operate.

Proportionate - for example, a large council with hundreds of transactions in a year is likely to require a more detailed internal audit inspection (possibly a number of inspections during the year). A smaller council may find that one internal audit inspection is satisfactory. The level of detail and scrutiny of the council's processes will also be proportionate to the level of activity and budget.

Scope - Appendix 8 of the Governance and Accountability in Local Councils in England and Wales, A Practitioners Guide 2003 provides guidance on a suitable approach to the internal audit in terms of the scope of work.

The results of the internal audit should be reported to the council.

For Haverhill Town Council the answers to these questions are:-

1. The Internal Auditor is an independent person, appointed by the Town Council and employed by the partnership of Heelis and Lodge.
2. Heelis and Lodge supply internal audit to a number of Town and Parish Councils throughout Suffolk. One of the partners was previously Deputy Chief Executive of Suffolk Association of Local Councils, so there can be said to be an understanding of the role of the internal auditor and the Parish Council framework.
3. There will be a number of visits from the Internal Auditor during the financial year.
4. The Internal Auditor was appointed to work to the guidance in Appendix 8 of the Practitioners Guide, but with the expectation that areas requiring further, more detailed, investigation would be included, albeit at additional charge.

Both the Internal Auditor's Report and the External Auditor's Report are reported to Full Council and appropriate action agreed to address any issues contained within those reports. Full Council agree the Precept.

Internal Control

Internal audit provides a report on the adequacy of systems of control; it does not actively seek evidence of fraud, corruption, error or mistakes, but can assist the council in its responsibility for the prevention and detection of fraud or error. Managing the risk of fraud and corruption is the responsibility of the council.

The regulations require active participation by members in providing positive assurance to the electors of their stewardship of public money. The framework of accountability is risk-based, i.e. level of control and management must be proportionate to the risk involved. The council should determine the most appropriate method of internal control e.g. a financial committee or one/two councillors. Suitable controls could include the following:

1. Checking that the cashbook is correctly written up and mathematically correct
2. Bank reconciliations are regularly undertaken
3. Checking that all income due is received
4. Checking that financial statements agree with accounting records
5. Awareness of legislation and any other regulations to ensure that the council conducts itself and its financial affairs correctly

The Guidance urges caution in that care should be taken to ensure that internal control tests are proportionate and relevant and that they are neither seen as, nor intended as, undue interference in the RFO's day to day management of financial affairs.

The Town Council currently addresses these issues by:-

1. Receiving monthly financial statements, issued to all Members and considered in detail at the Finance Committee. Using a proprietary computerised accounting package. Ensuring all budget holders review their individual budgets and expenditure/income on a regular basis.
2. Ensuring this is part of the end-of-month routine conducted by the Accountant prior to production of monthly financial statements.
3. Reporting the income due monthly on the balance sheets and identified as outstanding Debtors.
4. Ensuring the financial records produced by the accounting system are all date and time stamped, ensuring Members have the latest information available.
5. Arranging training for all Members on their roles and responsibilities as Councillors and continuing to promote and offer additional training for Members, including on financial matters. Employing a professionally-qualified Clerk and Accountant.

In addition to the above the day-to-day management of the financial accounting system is separated from the role of responsible Financial Manager, thereby ensuring another level of checks on the records.

Members are asked to consider whether they would wish to have further internal control measures introduced.

Haverhill Town Council

Annual Assessment of Risks

The Town Council is required to regularly review its risks. This does not mean undertaking a detailed Health and Safety risk assessment for all of its functions and services, but reviewing whether the processes, procedures and checks are robust enough to ensure that the Town Council:-

acts within its legal powers
fulfils its legal duties
ensures the proper use and safety of its resources

Legal Powers

Much of the Town Council's current portfolio of services and support is long-established, and can be undertaken under existing legislation. In terms of additional services, or enhancements to existing services, the Council relies upon the Clerk to ensure that the powers exist in law to provide these services. The Clerk in turn relies upon the availability of advice, either directly from the acknowledged standard textbook (Local Council Administration by Charles Arnold-Baker), or from the National Association of Local Councils (via the Suffolk Association of Local Councils). Further advice is available from the Society of Local Council Clerks.

To ensure that the Town Council acts within its legal powers for all new services the Clerk confirms, and notes in the minutes, the legislation empowering the Council to provide the service, the Council subscribes to the National Association of Local Councils, the Council budgets for purchase of each new edition of Local Council Administration, and the Council continue to pay the Clerk's subscription to the Society of Local Council Clerks.

The Clerk holds the Certificate in Local Council Administration, a nationally-recognised qualification.

In addition the Town Council's adoption of the trusteeship of the Town Hall Charity requires additional knowledge of the law relating the Charities. To aid this appropriate training has undertaken by the Clerk and the Accountant.

The Clerk has also received training on the duties of a Company Secretary.

The Trustees rely upon the Clerk to the Trustees to ensure that they act in accordance with Charity and Company Law in providing services within the Arts Centre. The Clerk to the Trustees in turn relies upon the availability of advice, either directly from standard textbooks, or from organisations such as Suffolk ACRE, Community Matters and the Charity Commission. To ensure that the Trustees act within their legal powers the Town Council continues to subscribe to Suffolk ACRE and Community Matters, the Town Council budgets for the purchase of appropriate reference books and the purchase of appropriate training for staff and Trustees.

Councillors, particularly newly-appointed Councillors, rely heavily upon the Town Clerk for advice and guidance. Whilst formal training is available from the Suffolk Association of Local councils, it is not always timely, nor local, and take-up amongst Councillors has in the past been “patchy”. Because of the issues that arose in 2003 following the election of a large number of inexperienced Councillors, and the subsequent costs that the Council subsequently incurred, Council agreed, and budgeted for the Suffolk Association of Local Councils to deliver a four-evening training course for all Councillors elected in May 2007, and continues to offer training to all newly-elected Councillors. However the take-up amongst recently-appointed Councillors has been patchy and Council may wish to consider whether untrained Councillors should participate at Committee meetings.

Legal Duties

The Town Council has a duty in law to its staff and the general public. This includes employment law and Health and Safety, as well as general duties covering race, gender, and ability. Whilst some statements of policy exist, these are neither comprehensive nor published in the same format. Some that are believed to exist do not actually do so. In addition the advent of a more litigious age requires greater emphasis to be placed upon ensuring compliance. It has therefore been agreed that at the start of each new Council all Councillors and staff receive training covering their responsibilities in terms of equality, the Council compile, publish and review annually a handbook of their agreed policies, the Town Clerk undertakes an annual overall risk assessment for the Council’s staff and permanent/regular places of work, and the Arts & Leisure Manager undertakes an annual risk assessment for all of the Council’s “occasional” events (A copy of the current Risk Assessments is attached).

Proper Use and Safety of Resources

The Town Council’s financial resources (including items on its balance sheet) are controlled by an independent financial audit of its financial procedures and an independent external audit of its published accounts. Within a small workforce separation of the duties of ordering and approving invoices is difficult to achieve fully; however with the increased workforce available with the Arts Centre a more structured approach will not only be possible, but also more necessary. In addition to these independent checks the Council insures its assets, not only against the usual risks, but also against fraud by the Clerk and other officers. It is already practice that the insured liabilities be reviewed annually, the inventory be checked annually, the independent internal auditor’s report be circulated to every Member of the Council and noted at Full Council and the external auditor’s report be reported to Full Council.

Balances

The Town Council has addressed the need to maintain balances at an appropriate level and, in addition, has established a separate repairs and renewals fund to cover larger replacement/renewal issues.

Governance

The revisions to the Accounts and Audit Regulations place a greater emphasis on governance arrangements, particularly the role of Council and Councillors in ensuring that matters, particularly financial, are as reported. The Town Council has ensured a separation of financial duties, uses proprietary computerised accounting systems, has ensured that, with the exception of the payroll imprest account, two Councillors must sign all cheques, and employs a qualified Accountant. In addition each Town Councillor receives regularly monthly financial reports of income/expenditure against budget, and has the opportunity to question any item at the Finance Committee.

Members previously decided against but may wish to reconsider nominating individual Members to verify, on a monthly basis, the veracity of a selection of invoices presented for payment, or to audit trail ticket sales income for a particular event.

HAVERHILL TOWN COUNCIL

MEETING DATES February 2011 to May 2012

Committee	Feb 2011	Mar 2011	Apr 2011	May 2011	June 2011	July 2011	Aug 2011	Sept 2011	Oct 2011	Nov 2011	Dec 2011	Jan 2012	Feb 2012	Mar 2012	Apr 2012	May 2012
Planning		1	5	10	7	5	2	6	4	1	6	3	7	7	4	1,29
Leisure & Arts		8		10	7	12		13	11	8		10	15	15	11	29
Personnel			12	10	15			13		8			15		11	29
Community First			19	10	22			20		15			22		18	29
Finance		15		10	15			20	18	22		17	22		18	29
Appeals				10	15											29
Full Council	1,8,15,22	22		10	29	26		27		29		24	29			22
Town Meeting				10											25	
Arts Centre Trustees				18	29				25							23

All meetings are held at The Arts Centre, High Street, unless otherwise notified.

Committee meetings commence at 7.00 p.m.

Full Council meetings commence at 7.00 p.m. Annual General Meeting commences at 7.00 p.m.

All meetings are open to the public, and the public may raise matters of concern to the Town Council at the meetings.

The Town Meeting is organised by the Town Council on behalf of the public.

All Agendas are displayed on the Noticeboard in the High Street and on the Town Council website (www.haverhill-uk.com/towncouncil)

All Minutes are displayed on the Town Council website