

| Royston Town Council - Draft Budget 2022-2023 - 6 months Oct 2021 |                  |                          |                                      |                  |                  |                  |
|---|------------------|--------------------------|--------------------------------------|------------------|------------------|------------------|
| <u>Summary</u>  | <u>2022-2023</u> | <u>2021-2022</u>         | <u>2021-2022</u>                     | <u>2021-2022</u> | <u>2020-2021</u> | <u>2019-2020</u> |
|   | <u>Budget</u>    | <u>Forecast out-turn</u> | <u>YTD 6 months to<br/>30.9.2021</u> | <u>Budget</u>    | <u>Year End</u>  | <u>Year End</u>  |
| <b><u>EXPENDITURE</u></b>   |                  |                          |                                      |                  |                  |                  |
| Admin/Democracy   | 144,541          | 120,926                  | 45,618                               | 129,571          | 122,935          | 96,707           |
| Museum  | 91,000           | 89,989                   | 36,543                               | 91,666           | 65,472           | 83,841           |
| Town Hall   | 62,038           | 53,818                   | 18,169                               | 59,613           | 41,949           | 48,512           |
| Priory Rooms  | 15,491           | 12,620                   | 1,662                                | 14,508           | 10,081           | 12,007           |
| Market Hill Rooms   | 23,728           | 19,656                   | 7,703                                | 20,294           | 23,742           | 28,918           |
| Plantations   | 20,878           | 18,825                   | 3,536                                | 19,080           | 16,624           | 17,304           |
| Other Expenses  | 16,286           | 14,043                   | 4,021                                | 15,543           | 6,190            | 13,115           |
| Royston Cave  | 21,117           | 17,950                   | 8,222                                | 20,032           | 13,753           | 16,029           |
| Allotments  | 6,761            | 4,710                    | 2,727                                | 4,465            | 3,878            | 3,847            |
| War Memorial  | 4,101            | 2,295                    | 1,566                                | 2,423            | 2,322            | 2,416            |
| 30 Kneesworth St  | 1,109            | 970                      | 605                                  | 1,036            | 982              | 866              |
| Town Manager(LGA 72 s144)   | -                | -                        | 0                                    | -                | 0                | 13,200           |
| Public Conveniences   | 3,939            | 2,485                    | 831                                  | 2,913            | 2,003            | 3,095            |
| Markets and Parking   | 73,167           | 69,842                   | 31,750                               | 70,734           | 62,612           | 59,788           |
| Extraordinary expenditure from reserves                           |                  |                          |                                      |                  |                  | 45,345           |
| <b>TOTAL EXPENDITURE</b>  | <b>484,156</b>   | <b>428,129</b>           | <b>162,953</b>                       | <b>451,878</b>   | <b>372,543</b>   | <b>444,990</b>   |
| <b><u>INCOME</u></b>  |                  |                          |                                      |                  |                  |                  |
| Interest  | 200              | 100                      | 45                                   | 300              | 1,500            | 2,482            |
| Museum  | -                | 14                       | 14                                   | 750              | 542              | 749              |
| Town Hall   | 28,000           | 20,000                   | 9,221                                | 15,000           | 3,385            | 31,554           |
| Priory Centre   | 1,000            | 500                      | 197                                  | 500              | 0                | 5,272            |
| Market Hill Rooms   | 10,000           | 6,800                    | 2,564                                | 7,500            | 509              | 15,481           |
| Allotments  | 5,600            | 5,600                    | 552                                  | 5,600            | 5,876            | 5,631            |
| 30 Kneesworth St  | 15,590           | 15,580                   | 7,956                                | 15,580           | 15,565           | 15,550           |
| Royston Cave  | 7,500            | 2,000                    | 712                                  | 10,000           | 268              | 11,871           |
| Markets and Parking   | 60,000           | 57,000                   | 33,253                               | 54,000           | 47,745           | 68,707           |
| <b>TOTAL INCOME</b>   | <b>127,890</b>   | <b>107,594</b>           | <b>54,514</b>                        | <b>109,230</b>   | <b>75,390</b>    | <b>157,297</b>   |
| <b>NET EXPENDITURE</b>  | <b>356,266</b>   | <b>320,535</b>           | <b>108,439</b>                       | <b>342,648</b>   | <b>297,153</b>   | <b>287,693</b>   |
| <b>Precept</b>  | <b>345,133</b>   | <b>317,910</b>           | <b>317,910</b>                       | <b>331,469</b>   | <b>317,910</b>   | <b>305,934</b>   |
| <b>CTRS Grant</b>   | <b>11,133</b>    | <b>11,179</b>            | <b>11,179</b>                        | <b>11,179</b>    | <b>11,321</b>    | <b>11,404</b>    |
| <b>Net difference</b>   | <b>0</b>         | <b>8,554</b>             | <b>220,650</b>                       | <b>0</b>         | <b>32,078</b>    | <b>29,645</b>    |

## Precept Charges for Royston Town Council

|                  | <u>Year</u> | <u>Budgeted Expenditure</u> | <u>From Reserves</u> | <u>Amount of Precept Levied</u> | <u>Less CTRS Grant</u> | <u>Net Precept Amount to be raised</u> | <u>Number of Equivalent Band D properties in Royston</u> | <u>Yearly cost per Band D household</u> | <u>Variation in cost from previous year</u> | <u>Approx. Weekly increase/decrease</u> | <u>Band D household % change from previous year</u> |
|------------------|-------------|-----------------------------|----------------------|---------------------------------|------------------------|--|--|---|---|---|---|
|                  | <b>2009</b> |                             |                      | £202,530                        |                        |  | 6096   | £33.22                                  | £3.69                                       | £0.07                                   |   |
|                  | <b>2010</b> |                             |                      | £222,780                        |                        |  | 6166   | £36.13                                  | £2.91                                       | £0.06                                   | 8.75%   |
|                  | <b>2011</b> |                             |                      | £222,780                        |                        |  | 6199   | £35.94                                  | -£0.19                                      | £0.00                                   | -0.52%  |
|                  | <b>2012</b> |                             |                      | £244,310                        |                        |  | 6206   | £39.37                                  | £3.43                                       | £0.07                                   | 9.53%   |
|                  | <b>2013</b> |                             |                      | £258,600                        | £27,130                | £231,470                               | 5984.1   | £38.68                                  | -£0.69                                      | -£0.01                                  | -1.74%  |
|                  | <b>2014</b> |                             |                      | £272,900                        | £23,879                | £249,021                               | 6056.7   | £41.11                                  | £2.43                                       | £0.05                                   | 6.29%   |
|                  | <b>2015</b> |                             |                      | £278,120                        | £20,263                | £257,857                               | 6113.5   | £42.18                                  | £1.06                                       | £0.02                                   | 2.59%   |
|                  | <b>2016</b> |                             |                      | £277,656                        | £14,927                | £262,729                               | 6240.9   | £42.10                                  | -£0.08                                      | £0.00                                   | -0.19%  |
|                  | <b>2017</b> | £290,013                    | £9,253               | £280,760                        | £11,450                | £269,313                               | 6396.4   | £42.10                                  | £0.0  | £0.00                                   | 0.0%  |
| Actual request   |             |                             |                      |                                 |                        |  |  |   |   |   |   |
|                  | <b>2017</b> | £290,013                    |                      | £280,760                        | £11,450                | £269,310                               | 6332.43  | £42.53                                  | £0.42                                       | £0.01                                   | 1.0%  |
| NHDC calculation |             |                             |                      |                                 |                        |  |  |   |   |   |   |
|                  | <b>2018</b> | £286,327                    | £2,718               | £283,609                        | £11,339                | £272,270                               | 6402   | £42.53                                  | £0.00                                       | £0.00                                   | 0.00%   |
|                  | <b>2019</b> | £317,338                    |                      | £317,338                        | £11,404                | £305,934                               | 6469.8   | £47.29                                  | £4.76                                       | £0.09                                   | 11.19%  |
|                  | <b>2020</b> | £329,231                    |                      | £329,231                        | £11,321                | £317,910                               | 6555.8   | £48.49                                  | £1.21                                       | £0.02                                   | 2.55%   |
|                  | <b>2021</b> | £342,648                    |                      | £342,648                        | £11,179                | £331,469                               | 6511.7   | £50.90                                  | £2.41                                       | £0.05                                   | 4.97%   |
| <b>Proposed</b>  | <b>2022</b> | £356,266                    |                      | £356,266                        | £11,133                | £345,133                               | 6618.1   | £52.15                                  | £1.25                                       | £0.02                                   | 2.45%   |

## Section 1 – Annual Governance Statement 2020/21

We acknowledge as the members of:

ROYSTON TOWN COUNCIL

our responsibility for ensuring that there is a sound system of internal control, including arrangements for the preparation of the Accounting Statements. We confirm, to the best of our knowledge and belief, with respect to the Accounting Statements for the year ended 31 March 2021, that:

|   | Agreed |     | Yes means that this authority:  |
|---|--------|-----|---|
|   | Yes    | No* |   |
| 1. We have put in place arrangements for effective financial management during the year, and for the preparation of the accounting statements.  | ✓      |     | prepared its accounting statements in accordance with the Accounts and Audit Regulations.   |
| 2. We maintained an adequate system of internal control including measures designed to prevent and detect fraud and corruption and reviewed its effectiveness.  | ✓      |     | made proper arrangements and accepted responsibility for safeguarding the public money and resources in its charge.   |
| 3. We took all reasonable steps to assure ourselves that there are no matters of actual or potential non-compliance with laws, regulations and Proper Practices that could have a significant financial effect on the ability of this authority to conduct its business or manage its finances. | ✓      |     | has only done what it has the legal power to do and has complied with Proper Practices in doing so.   |
| 4. We provided proper opportunity during the year for the exercise of electors' rights in accordance with the requirements of the Accounts and Audit Regulations.   | ✓      |     | during the year gave all persons interested the opportunity to inspect and ask questions about this authority's accounts.   |
| 5. We carried out an assessment of the risks facing this authority and took appropriate steps to manage those risks, including the introduction of internal controls and/or external insurance cover where required.  | ✓      |     | considered and documented the financial and other risks it faces and dealt with them properly.  |
| 6. We maintained throughout the year an adequate and effective system of internal audit of the accounting records and control systems.  | ✓      |     | arranged for a competent person, independent of the financial controls and procedures, to give an objective view on whether internal controls meet the needs of this smaller authority. |
| 7. We took appropriate action on all matters raised in reports from internal and external audit.  | ✓      |     | responded to matters brought to its attention by internal and external audit.   |
| 8. We considered whether any litigation, liabilities or commitments, events or transactions, occurring either during or after the year-end, have a financial impact on this authority and, where appropriate, have included them in the accounting statements.                                  | ✓      |     | disclosed everything it should have about its business activity during the year including events taking place after the year end if relevant.   |
| 9. (For local councils only) Trust funds including charitable. In our capacity as the sole managing trustee we discharged our accountability responsibilities for the fund(s)/assets, including financial reporting and, if required, independent examination or audit.                         | Yes    | No  | N/A   |
|   | ✓      |     | has met all of its responsibilities where, as a body corporate, it is a sole managing trustee of a local trust or trusts.   |

\*Please provide explanations to the external auditor on a separate sheet for each 'No' response and describe how the authority will address the weaknesses identified. These sheets must be published with the Annual Governance Statement.

This Annual Governance Statement was approved at a meeting of the authority on:

21/06/21

and recorded as minute reference:

73/22 (1)

Signed by the Chairman and Clerk of the meeting where approval was given:

Chairman



Clerk

Caroline Lull

www.roystontowncouncil.gov.uk



## Section 2 – Accounting Statements 2020/21 for

### ROYSTON TOWN COUNCIL

|   | Year ending        |                    | Notes and guidance  |
|---|--------------------|--------------------|---|
|   | 31 March 2020<br>£ | 31 March 2021<br>£ |   |
| 1. Balances brought forward   | 529341             | 552091             | Total balances and reserves at the beginning of the year as recorded in the financial records. Value must agree to Box 7 of previous year.  |
| 2. (+) Precept or Rates and Levies  | 305934             | 317910             | Total amount of precept (or for IDBs rates and levies) received or receivable in the year. Exclude any grants received.   |
| 3. (+) Total other receipts   | 255010             | 191415             | Total income or receipts as recorded in the cashbook less the precept or rates/levies received (line 2). Include any grants received.   |
| 4. (-) Staff costs  | 332623             | 213241             | Total expenditure or payments made to and on behalf of all employees. Include gross salaries and wages, employers NI contributions, employers pension contributions, gratuities and severance payments. |
| 5. (-) Loan interest/capital repayments   | 19114              | 19114              | Total expenditure or payments of capital and interest made during the year on the authority's borrowings (if any).  |
| 6. (-) All other payments   | 186457             | 192813             | Total expenditure or payments as recorded in the cashbook less staff costs (line 4) and loan interest/capital repayments (line 5).  |
| 7. (=) Balances carried forward   | 552091             | 636248             | Total balances and reserves at the end of the year. Must equal (1+2+3) - (4+5+6).   |
| 8. Total value of cash and short term investments                                   | 548266             | 627969             | The sum of all current and deposit bank accounts, cash holdings and short term investments held as at 31 March – <b>To agree with bank reconciliation.</b>  |
| 9. Total fixed assets plus long term investments and assets                         | 3983851            | 3968055            | The value of all the property the authority owns – it is made up of all its fixed assets and long term investments as at 31 March.  |
| 10. Total borrowings  | 256887             | 247986             | The outstanding capital balance as at 31 March of all loans from third parties (including PWLB).  |
| 11. (For Local Councils Only) Disclosure note re Trust funds (including charitable) | Yes                | No                 | The Council, as a body corporate, acts as sole trustee for and is responsible for managing Trust funds or assets.   |
|   | ✓                  |                    | N.B. The figures in the accounting statements above do not include any Trust transactions.  |

I certify that for the year ended 31 March 2021 the Accounting Statements in this Annual Governance and Accountability Return have been prepared on either a receipts and payments or income and expenditure basis following the guidance in Governance and Accountability for Smaller Authorities – a Practitioners' Guide to Proper Practices and present fairly the financial position of this authority.

Signed by Responsible Financial Officer before being presented to the authority for approval

Caroline Mills

07/06/21

Date

I confirm that these Accounting Statements were approved by this authority on this date:

21/06/21

as recorded in minute reference:

73/22 (2)

Signed by Chairman of the meeting where the Accounting Statements were approved



## Section 3 – External Auditor Report and Certificate 2020/21

In respect of **Royston Town Council – HT0087**

### 1 Respective responsibilities of the body and the auditor

This authority is responsible for ensuring that its financial management is adequate and effective and that it has a sound system of internal control. The authority prepares an Annual Governance and Accountability Return in accordance with *Proper Practices* which:

- summarises the accounting records for the year ended 31 March 2021; and
- confirms and provides assurance on those matters that are relevant to our duties and responsibilities as external auditors.

Our responsibility is to review Sections 1 and 2 of the Annual Governance and Accountability Return in accordance with guidance issued by the National Audit Office (NAO) on behalf of the Comptroller and Auditor General (see note below). Our work **does not** constitute an audit carried out in accordance with International Standards on Auditing (UK & Ireland) and **does not** provide the same level of assurance that such an audit would do.

### 2 External auditor report 2020/21

On the basis of our review of Sections 1 and 2 of the Annual Governance and Accountability Return (AGAR), in our opinion the information in Sections 1 and 2 of the AGAR is in accordance with *Proper Practices* and no other matters have come to our attention giving cause for concern that relevant legislation and regulatory requirements have not been met.

Other matters not affecting our opinion which we draw to the attention of the authority:

None

### 3 External auditor certificate 2020/21

We certify that we have completed our review of Sections 1 and 2 of the Annual Governance and Accountability Return, and discharged our responsibilities under the Local Audit and Accountability Act 2014, for the year ended 31 March 2021.

External Auditor Name

**PKF LITTLEJOHN LLP**

External Auditor Signature

*PKF Littlejohn LLP*

Date

22/09/2021

\* Note: the NAO issued guidance applicable to external auditors' work on limited assurance reviews in Auditor Guidance Note AGN/02. The AGN is available from the NAO website ([www.nao.org.uk](http://www.nao.org.uk))

**DATE OF THIS AGREEMENT:** 1<sup>st</sup> April 2022

Royston Town Council (the Council)

Royston Museum Trust CIO Charity number 1196386 (the Trust)

**1. Service Level Agreement (SLA)**

The Royston Museum will be operated by the Trust under a SLA between the Council and the Trust.

The SLA sets out the obligations and responsibilities of the Council and the Trust and the performance standards that are required for the Trust's management and operation of Royston Museum.

**2. The Royston and District Local History Society's agreement to loan the Collection**

The SLA is conditional on the Royston and District Local History Society's (the History Society) agreement to the loan of the collection to the Trust as set out in the Loan Agreement.

**3. Term of the SLA**

The SLA will commence on 1 April 2022 for a period of five years and will expire on 31 March 2027, or earlier if terminated by either party. A joint review will be undertaken in October 2026 and, subject to agreement by both parties, the SLA can be extended for a similar term or beyond.

This SLA can be terminated by:

Either party, giving at least 3 years notice in writing, or

Immediately by the Trust, if the Council fails to remit to the Trust the agreed sums due under paragraph 9 provided that the Trust has given 30 days' notice and the Council has failed to remedy this breach.

**4. Cessation of the SLA**

In the event of the cessation of the SLA, the Council will determine whether assets of the Trust revert to the Council.

The ownership of the collection is specified in the agreement between the History Society and the Trust.

**5. Assignment**

This SLA is personal to both parties and neither party may transfer or assign directly or indirectly to any person whatsoever the whole or any portion of this SLA.

## **6. Management Review**

The Trust and the Council will meet quarterly.

Meetings will include an annual review of the Business Plan performance and achievement against service targets.

## **7. Arbitration**

In the event of a dispute between the Trust and the Council in respect of this agreement, the matter will be taken up by the Clerk and the Chairman of the Board of Trustees.

If the matter remains in dispute, independent arbitration will be sought from another local authority within Hertfordshire, to be agreed upon by both parties.

## **8. Prerequisite Functions, Procedures and Policies**

Prior to the vesting of the museum the Trust will have the following in place:

**25 year lease on Musuem building in the name of the Trust**

**Preliminary 3 year Business Plan and Year 1 Action Plan**

**Policies and Procedures defined in Appendix 2**

**ICT systems**

**Banking**

**Payroll**

**Accounting**

**Insurance**

## **9. Trust Income**

It is assumed that Royston Town Council will divest the museum to the Trust on 1 April 2022.

**One off capital sum from the Council**

The Council will pay the Trust a one off payment of £35,000 on 1 April, on receipt of invoice.

**Annual funding from the Council**

The Council will pay the Trust £91,000 per year in two instalments. The first £45,500 on 1<sup>st</sup> April in year 1 (on 15<sup>th</sup> April in subsequent years), and the second £45,500 on 15<sup>th</sup> September, on receipt of invoice.

The 1<sup>st</sup> year budget shown in Appendix 1.

Inflationary increases based on CPI (Consumer Price Index) will be applied annually.

## **External funding**

The Trust will proactively seek and secure external funding for Royston Museum. This will include capital and revenue funds that the Trust might achieve for the museum via grants and, in particular, from the National Lottery Heritage Fund and Arts Council England.

## **Other income**

Fees and charges for admission and other activities including workshops, events, hirings and reproductions will be determined by the Trust subject to agreement by the Council. All such income including sales from the Royston Museum shop will be available to the Trust.

## **10. Collections**

### **Collections ownership**

The ownership of the collection is specified in the agreement between the History Society and the Trust.

### **Care of collections – requirements**

The Trust will be responsible for the safe storage and security of the collection for the duration of the SLA.

The Trust will ensure that the museum collection is cared for and protected to accredited standard as it relates to building, security, storage, training, cleaning, preservation, environmental monitoring and control, exhibitions and loans, conservation and disaster planning.

The Trust will also ensure that the written policies and plans covering collections development, collections care, conservation and collections documentation are reviewed in accordance with the accreditation standards of the ACE.

The Trust will continue to meet SPECTRUM cataloguing standards and will also work towards a full collections review.

### **Acquisitions, disposals and loans**

The professional judgement of the Trusts' staff, as per the Museum Association's professional guidelines, will be used in determining future acquisitions, disposals and loans.

## **11. Information and Communications Technology**

The Trust will be responsible for all the Museum's ICT including broadband, systems for employees, servers for museum applications, appropriate backup, internet security, the museum website and social media channels. All systems are to be compatible with those in the Council.

## **12. Health, Safety and Security**

### **Health and safety management**

In operation of the service, the Trust will comply with all current Health and Safety legislation and regulations, and as appropriate, create and maintain full and comprehensive risk assessments relevant to the facility. Risk assessments will be carried out and recorded prior to commencement of any new activity, or event held at the museum.



The Trust is responsible for maintaining the museum interior in a safe and good condition, including displays, heating system, lighting, equipment and decoration, ensuring servicing of equipment and installations is regularly undertaken and replacements made where necessary.

A complete First Aid Kit will be kept on site at all times and checked on a monthly basis (and after each occasion that it has been used) and a qualified First Aider (First Aid at Work) will always be on duty. Additional qualified staff will be provided for events and activities as required by the risk assessment.

All accidents and incidents on the premises will be comprehensively recorded as soon as practicable after the event. These records shall include details of all relevant actions taken. Completed records will be forwarded to the Clerk, as soon as possible.

The Trust will produce a safeguarding policy and ensure that all staff are trained appropriately in safeguarding. Any staff or volunteers working with children, young people or vulnerable adults will have an enhanced DBS check.

The Trust will maintain and review annually, the Emergency Plan and Disaster Recovery document.

The Trust will carry out day to day compliance tasks as required and advise the Council as soon as reasonably possible of any building issues.

### **Key holding and call outs**

The Trust will undertake key holder responsibilities. The arrangements for this will be provided to the Council at the commencement of the SLA and as and when any changes occur.

### **Intruder alarm system**

The Trust will take over responsibility for the intruder alarm system provided by County Security Services and nominate personnel to be called out.

## **13. Accreditation, Performance and Quality Requirements**

The Trust will ensure that museum accreditation is maintained throughout the term of the SLA. This will require the development, production and maintenance of the Business Plan by the Trust. Accreditation costs will be met through the budget held by the Trust under this agreement.

The Trust will also support the Council in its pursuit of other corporate quality awards and initiatives.

The Trust will seek to develop new ideas to improve visitor satisfaction on an ongoing basis, ensuring a quality experience for visitors and users of the service.

## **14. Museum Operation**

The Trust will determine Opening Hours, Activity Programming, and Target Groups subject to the agreement of the Council.

The Trust will include this information in the Business Plan together with the data collection required to measure performance.

### **Visitor care and communications**

The Trust will deliver a clear and demonstrable visitor care policy and ensure that all employees and volunteers are made aware of the policy and receive appropriate training in its implementation.

Staff will apply the visitor comments and feedback system within the museum, to encourage feedback and include verbal and written comments. The system will allow for comments to be made by letter, comment card or comment book, e-mail and verbally. All visitor complaints and comments will be responded to within 10 days of receipt.

The museum will also maintain a research enquiries service. Research enquiries will be dealt with within 14 days of receipt – which will be detailed to the enquirer through email or telephone upon receipt.

The Trust's board and staff will not do anything to bring Royston Museum, the Trust or the Council into disrepute.

### **Marketing and promotion**

The Trust will be responsible for all marketing and promotional activity and will ensure that this activity is carried out in liaison with the Council.

The Trust will ensure that the Council is recognised on all marketing material and signage, and the wording will be agreed by the Council.

The Trust will provide additional event, marketing and publicity information to the Council for use in a range of other publications, at meetings etc as and when required.

### **Equipment in the museum**

At the start of the SLA, the Council will transfer (gift) all equipment in the museum that is owned by the Council to the Trust.

The Trust will provide additional equipment and materials as may be necessary for the provision of the service.

Any equipment and materials provided by the Trust shall comply with the relevant British Standards and be limited to the use it was designed for.

## **15. Support and Assistance to the Council**

The Trust will support and assist the Council services and processes linked to the operation of Royston Museum. This may include, but not be limited to, audits, health and safety matters, preparation of reports, business planning, projects, and attendance at training sessions where necessary.

## **16. The Friends of Royston and District Museum (the Friends)**

The Trust will continue to maintain the good relationship built with the Friends who are a registered charity incorporated to support and help develop Royston Museum. This will include working closely with the Friends to support joint and mutual working arrangements, partnerships and external funding opportunities.

The Trust will ensure that a nominated employee attends all of the Friends committee meetings, and will brief the Friends committee on all aspects on the management of Royston Museum, and enable the Friends committee to feedback, provide input and suggestions and raise any concerns.

## **17. Major Incident Reporting**

The Trust will ensure that the Council is made aware of any major incidents that occur as soon as practicably possible. Major incidents include accidents or incidents such as fatalities, severe injury, assault on staff, theft of property, major damage or vandalism to plant, fire, flood, closure of the building or any other issue likely to be of interest or concern to the Council and users.

This is to ensure that:

- the Council is fully briefed on the incident;
- any critical action or provision identified as a result of the incident can be progressed by the appropriate party;
- the likelihood of a repeat incident is minimised;
- the Council is able to respond competently to enquires; and,
- the public is reassured.

The Trust will report all major incidents to the Council by telephone or in person, followed by a full report by e-mail within 24 hours of the incident and will maintain a log of all major incidents and the relevant response to them.

# **18. Disclosure of and Requests for Information under The Data Protection Act 1998 and Freedom of Information Act 2000**

The Council shall:

Co-operate with the Trust and supply to it all necessary information and documentation required in connection with any request received by the Trust under the Data Protection Act 1998 and/or Freedom of Information Act 2000.

Supply all such information and documentation at no cost to the Trust and within seven working days of receipt of any request.

The Trust will conform with all requirements of the General Data Protections Register. (GDPR)

## **Notices**

Any notice or other document to be served under this SLA may be delivered or sent by prepaid first class recorded delivery or registered post to the party to be served, at the address of that party identified at the head of this SLA or at any other address as either party may have notified to the other and shall be deemed to have been received by the addressee within 72 hours of posting. Any notice or document served on the Council should be addressed to the Clerk.

In proving service of a notice or document it shall be sufficient to prove that delivery was made or that the envelope containing the notice or document was properly addressed and posted as a prepaid first class recorded delivery or registered letter.

IN WITNESS of which this agreement has been signed on behalf of the parties hereto the day and year first before written.

Royston Museum Trust CIO

Royston Town Council

Name.....

Name.....

Signed.....

Signed.....

Date.....

Date.....

Name.....

Signed.....

Date.....

## Appendix 1 – 2022 Budget

The Trust is responsible for all museum costs, including but not limited to:

**Employees** Recruitment and employment of new hires of Museum staff with all the statutory obligations including payroll, Tax, National Insurance and Pensions.

**Building lease** Rental and landlord's insurance.

**Building repairs**

**Accounting** Implementation of an accounting system.

**ICT**

**Utilities**

**Cleaning**

**Business rates** The Trust will apply for business rates relief.

**Insurance** including Public and Employers' liability insurance, collection insurance.

|  | Museum one-off costs '22-'23 |  | Museum Budget '22-'23 |
|--|------------------------------|--|-----------------------|
|  | Includes VAT                 |  | Includes VAT          |
| <b>EXPENDITURE</b>                       |                              |  |                       |
| Museum staff                             |                              |  |                       |
| Curator/Development manager 2022-23      |                              |  | 41,318                |
| Museum Assistant (21 hrs/week)           |                              |  | 16,750                |
| Saturday duty officer (volunteer?)       |                              |  | 4,132                 |
| NI employment allowance (max £4k)        |                              |  | -4,000                |
| Cleaner (Contract 4 hr/week @ £10?)      |                              |  | 2,400                 |
|  |                              |  |                       |
| Payroll                                  |                              |  | 1,008                 |
| Accounting support 3 months £500+VAT     |                              |  | 600                   |
| Sage £12/month +VAT.                     |                              |  | 173                   |
| HR/Legal                                 |                              |  | 1,000                 |
| IT (included in Other Expenditure)       |                              |  | 0                     |
| Maintenance Plan                         |                              |  | 4,440                 |
| External decoration (scheduled for 2022) | 2,000                        |  |                       |
| Security/Fire Regs compliance testing    |                              |  | 900                   |
| Gas, Electric and Water                  |                              |  | 3,938                 |
| Rent                                     |                              |  | 7,500                 |
| Rates                                    |                              |  | 0                     |
| Premises insurance                       |                              |  | 1,525                 |
| Items for sale                           |                              |  | 300                   |
| Insurance (waiting quote - RTC is £5k)   |                              |  | 3,000                 |
| Other expenditure                        |                              |  | 6,000                 |
| <b>TOTAL</b>                             | <b>2,000</b>                 |  | <b>90,983</b>         |
|  |                              |  |                       |
| <b><u>INCOME</u></b>                     |                              |  | -                     |
| Carried forward from 21-22 donation      |                              |  | 1,085                 |
| 2022-3 RTC annual donation               |                              |  | 91,000                |
| 2022 RTC one off donation                |                              |  | 35,000                |
| Sales (inc Jack's War)                   |                              |  | 500                   |



|                                      |               |  |                |
|--------------------------------------|---------------|--|----------------|
| Exhibition commission & hanging fees |               |  | 250            |
| <b>TOTAL</b>                         |               |  | <b>131,835</b> |
|                                      |               |  |                |
| <b>BALANCE</b>                       | <b>-2,000</b> |  | <b>34,852</b>  |

## **Appendix 2 – Policies and procedures**

The following policies and procedures are to be in place before divestment:

### **Governance**

- CIO constitution
- Declarations of Interests
- Declaration of Eligibility and Responsibility to be a Trustee
- Code of Conduct
- Standing Orders
- Role description for Chair, Treasurer, Secretary and Board members
- Scheme of Delegations
- Process for urgent Decision Making

### **Employment**

- Staff handbook
- Complaints
- Grievance
- Disciplinary
- Training
- Equal Opportunities

### **Organisation/Operation**

- Health and Safety
- Data Protection
- Finance Regulations
- Safeguarding Children and Vulnerable People Policy
- Complaints Policy
- Volunteer Register plus volunteer agreement and code of conduct,

### **Collections**

- Collections Development Policy
- Collections Care and Conservation Policy
- Collections Documentation Policy



## ROYSTON TOWN COUNCIL INTERIM INTERNAL AUDIT REPORT

The interim internal audit was carried out on Friday 10<sup>th</sup> December 2021 at the offices of Royston Town Council.

### Work Done

#### **External auditors report**

- The external auditor's report for year ending 31<sup>st</sup> March 2021 was reviewed.

#### **Review of Meeting Minutes**

- Meeting minutes file reviewed. All minutes for all committees approved and filed. Each month the finance committee approves accounts for payment and reviews income and expenditure. Budgets are also monitored against actual spending.

#### **Payroll**

- August 2021 payroll was selected for testing at random. Wages for five employees were checked.
- Calculations of PAYE, national insurance and pension contributions were checked.
- Employees' gross pay was agreed to the pay scales per 2020-2021 National Salary per SLCC.
- Payments of net wages, PAYE liability and pension contributions were agreed.

#### **Bank Reconciliations**

- The bank reconciliation file was reviewed to ensure that regular reconciliations are being prepared.
- The bank reconciliation for September 2021 was tested to ensure that the reconciliations were being prepared correctly.

#### **Trade Debtors**

- Trade debtors were reviewed for reasonableness and ensured they agreed in total to the Financial Statements.
- A review for potential bad debts was carried out and any credit balances were reviewed.

#### **Trade Creditors**

- The balance for trade creditors was reviewed to ensure that it is reasonable and ensured they agree in total to the financial statements.

#### **Income**

- Selected a sample of bookings for room hire. Agreed to the booking diary, invoice and payment received.
- Selected a sample of receipts of bookings for pitch hire. Agreed to invoice and payment received.

#### **Payments**

- Selected a sample of payments made from the monthly payment sheets and invoice files. Agreed these to invoices, ensured they were correctly posted on Sage, and confirmed that payments were approved by the Finance Committee and the date that the payment cleared.

### Results

#### **External auditors report**

- The external auditor, PKF Littlejohn LLP, provided an unqualified opinion on the accounts for the year ending 31<sup>st</sup> March 2021. There were no recommendations of improvements for the forthcoming year. In addition to this there were no further comments that drew any attentions to potential issues that could arise in future financial years.

#### **Review of meeting minutes**

No points of concern seen.

- Members approved the annual report for 2020/21 financial year
- Members agreed the AGAR Annual Governance Statement for 2020/21 and approve it for signing by the chairman and clerk.
- Members agreed the AGAR Accounting Statements for 2020/21 and approve it for signing by the chairman.
- A grant of £8,000 was awarded to the Council and the monies will be used to purchase a new Glasshaus case for the Museum
- £2,534 is to be paid out of the earmarked Tapestry reserve to fund graphic panels for display in the Museum
- Some new members of staff were recruited in the period: Part-Time Finance Assistant, Assistant Town Clerk and Part-Time Cave Guide

#### **Payroll**

- Wages calculations were found to be correct and accurate.
- Wages are being paid at the correct pay scale rates which have been approved by the council.
- Payments of wages, pension contributions and PAYE liabilities were being made correctly and on a timely basis.

#### **Bank Reconciliations**

- Bank reconciliations are being prepared on a monthly basis. The September 2020 reconciliation was reviewed and found to be prepared correctly.
- Clearance testing was undertaken to review the amount of unrepresented cheques to be cleared after the interim period date. Per the work carried out 98.23% of items were cleared by the end of November 2021.

#### **Trade Debtors**

- The current aged debtors listing showed a balance of £2,798.14. Small credit balances relate to deposits received in advance for room hire, invoices are raised after the month end to clear the payments on account.
- Debtors are controlled manually, with all invoices waiting to be paid being kept separately and regularly monitored by C Mills/R Bartholomew. The debtors appear to be well controlled with few old balances outstanding.

#### **Trade Creditors**

- Trade creditors were found to be reasonable and up to date.
- All invoices are paid at the end of the month unless there is a query on the invoice, so there are few creditors. The creditors appear to be well controlled.

#### **Income**

- Income receipts tested were agreed to supporting documentation and had been correctly recorded.

#### **Payments**

- The payments tested were agreed to supporting documentation. They had all been recorded and approved by the Finance Committee.



**Conclusion**

In our opinion the council are keeping their books and records in order and are following internal control procedures that they have set up.

*Haines Watts*

R Hammond – Partner  
Haines Watts  
First Floor, Woburn Court,  
2 Railton Road,  
Woburn Road Industrial Estate,  
Kempston, MK42 7PN

23/12/21



Agenda item 12

Councillors' Annual Review of the Effectiveness of the system of internal control report

**Present:** Cllrs J Davison, M Harrison, C Stanier, Town Clerk - C Mills, Assistant Town Clerk – K Sharman.

**1. The following documents had been reviewed prior to the meeting:**

- *Annual Review of the Effectiveness of the System of Internal Control - January 2022*
- *Review of the effectiveness of Internal Audit: Meeting the Standards - January 2022*
- *Risk Management Assessment - January 2022*
- *Audit Plan 2022-2023*
- *Various other risk assessments*

**2. Insurance policy**

**2.1** The current 3 year insurance contract with Zurich ends on 31 March 2021. Renewal quotes were obtained. It is recommended that the Zurich proposal for a new 3 year contract starting 1 April 2022 is accepted.

**3. Recommendations to Royston Town Council at its meeting on 17<sup>th</sup> January 2022.**

- 3.1** The current level of Fidelity Guarantee insurance is increased to £1,000,000.  
(The increase from £500,000 to £1,000,000 has been provided by Zurich at no additional premium.)
- 3.2** The Risk Management Assessment 2022 had been reviewed and it should be adopted into the workings of the council.
- 3.3** The annual review documents listed above (highlighted in italics) are adopted as a true statement of procedures undertaken by the Town Clerk and Town Council staff.
- 3.4** Based on a review of the above documentation and the continuing exemplary internal and external audits, the Councillors' review recommends that Royston Town Council consider that the internal audit procedures and controls at Royston Town Council are effective and meet its needs.

Minor changes were recommended and included in a small number of specific risk assessments.

Cllr J Davison

Cllr C Stanier

Cllr M Harrison

## **Royston Town Council**

### **Annual Review of the Effectiveness of the System of Internal Control**

**7<sup>th</sup> January 2022**

#### **Scope of Responsibility**

The Accounts and Audit regulations 2015 require smaller authorities, each financial year, to conduct a review of the effectiveness of the system of internal control. The authority needs to scrutinise the actions it has taken during the year, and the decisions it has made, and satisfy itself that it has acted properly within its powers and in accordance with any relevant Regulations.

Royston Town Council is responsible for ensuring that there is a sound system of internal control which facilitates the effective exercise of the Council's functions and includes arrangements for the management of risk. It falls on the Councillors to exercise a reasonable degree of control over financial matters. Particularly as, during the completion of the Annual Return, Councillors have agreed the following:

We acknowledge as the members of Royston Town Council our responsibility for ensuring that there is a sound system of internal control, including the preparation of the accounting statements.

#### **Internal Control Procedures**

##### **Cash Book/Bank Reconciliations**

The cash book is kept electronically using SAGE software, and kept up to date from original documents – receipts, invoices, payments. The cash book is reconciled to bank statements and a bank reconciliation is presented to monthly Finance committees for approval and signing by the Chairman. (Presented to Full Council during COVID-19 restrictions). The balances reported can be traced back to the expenditure approved in the previous meeting via the minutes. The original bank statements are reviewed and signed by a member of the Town Council quarterly.

##### **Standing Orders**

The Town Council has adopted Standing Orders based on the NALC model. The Standing Orders are reviewed for continued relevance and amended where necessary via approval by the Town Council. Standing Orders were updated in May 2021.

##### **Financial Regulations**

The Town Council has adopted Financial Regulations based on the NALC model. The regulations are reviewed for continued relevance and amended where necessary via approval by the Town Council/Finance Committee. Financial Regulations were updated in May 2021. A Responsible Financial Officer has been appointed and this was recorded in the Council minutes.

##### **Clerk to the Council**

The Council has appointed a qualified Clerk to the Council. The Clerk is responsible for advising on the day to day compliance with laws and regulations that the Council is subject to and for managing risks.

##### **Order/Tender Control**

Financial Regulations refer to procedures relating to tenders and orders.

##### **Legal Power**

A proper legal power is identified for each expenditure. The Council holds the General Power of Competence as resolved on 14<sup>th</sup> May 2018.

##### **Payment Controls**

Delegated powers on expenditure are made to the Finance Committee at the first Full Council meeting of each year.

All payments are reported to the Finance Committee monthly for approval via the accounts for payment included on the agenda.

(Reported to Full Council during COVID-19 restrictions).

Two members of the council and the Town Clerk must sign every cheque or order for payment. Signatories are agreed annually by the Council.

The signatories consider each cheque against the relevant invoice, sign the invoice and initial the cheque counterfoil.

All authorised cheque signatories are Members/Officers of the Council.

An accounts for payment is attached to the minutes of the meeting.

The Clerk/Finance Assistant maintain control of the cheque book at all times.

The Council has a commitment to two loan repayments per year and this is included in the annual budget.

The Clerk/Finance Assistant check adequate funds are held in the current account before payments are made on a monthly basis.

#### **VAT Reclaims**

The Clerk/Finance Assistant ensure that all invoices are addressed to the Town Council.

The Clerk/Finance Assistant ensure that the correct amount of VAT is reclaimed in the year. VAT is shown separately in the cash book and is reclaimed correctly on petty cash.

VAT is reclaimed quarterly and the VAT return is prepared by the Finance Assistant and checked by the Town Clerk.

#### **Income Controls**

All income is received and banked in the council's name in a timely manner and reported to the council.

#### **Budgeting/Precept/Reserves**

The Council reviews its obligations and objectives and approves the level of precept for the following year at its January meeting.

The Clerk requests the agreed precept from the precepting authority (NHDC).

The Clerk/Finance Assistant ensure that the amount of precept received is correct and received when due.

Income and expenditure reports are given to the Finance Committee monthly and significant variances are highlighted (presented to Full Council during COVID-19 restrictions). A copy of the report is attached to the minutes of the meeting.

The Council has a reserves policy which was reviewed in January 2021.

Reserves are assessed and agreed annually during the budget process.

Earmarked reserves are assessed and are agreed annually by the Council.

An investment strategy was agreed by Full Council on 29<sup>th</sup> March 2021.

#### **Employees/Salaries**

All employees are issued with a written statement of employment particulars at the start of their employment.

All contract details, pay and conditions are agreed by Finance Committee, minuted, and employees are paid by those decisions.

Salaries are processed electronically using SAGE software and the Town Clerk/Finance Assistant ensure that all RTI returns are made to HMRC as required.

PAYE and NI are paid as required.

Staff who meet the criteria are automatically enrolled into the Local Government Pension Scheme.

#### **Risk Management**

The Risk Management Assessment is reviewed annually as part of the annual review of effectiveness of internal audit. The Policy is submitted to Full Council for approval and this is minuted.

Separate risk assessments are carried out at least annually for all areas of council business and reviewed and updated where required.  
Insurance cover is reviewed regularly for adequacy and updated when necessary.  
The level of Fidelity Guarantee insurance is reviewed annually.

#### **Asset Control**

An asset register is maintained detailing all assets valued in excess of £100. The existence and condition of assets is checked, as a minimum on an annual basis.

#### **Audits**

Members carry out an annual review of the effectiveness of internal audit procedures. Findings are reported to Full Council and this is minuted.  
Independent internal audit is carried out twice a year. The auditor provides a report to the Council on records, procedures, systems, internal control, regulations and risk management and will complete page 5 of the annual return. Reports are presented to Full Council and this is minuted.  
The Council submits an annual return to the external auditor within permitted timescales. External audit results are submitted to Full Council and minuted.

#### **Other Controls**

Data Protection Registration is held.  
Fidelity Guarantee insurance is held.  
Electronic data backup arrangements are in place with cloud storage.  
Bank balances and investments are checked to ensure their safety and performance.  
An investment strategy is adopted annually.  
The council is a member of NALC.  
Pension Ill Health Liability insurance is held.

#### **Purpose of the System of Internal Control**

The system of internal control is designed to manage risk to a reasonable level. Risks should be identified, evaluated, prioritised and managed.

The Council will regularly review its systems and controls and will review its risk management policy annually.

#### **Recommendation**

That the Town Council consider this statement of the internal control procedures implemented to ensure that they are effective. This statement was reviewed during Members review of the internal effectiveness of audit controls held on 7<sup>th</sup> January 2022. The review recommends that Royston Town Council agrees that the internal audit procedures and controls at Royston Town Council are effective and meet its needs.

This statement of the effectiveness of internal control procedures was considered by Royston Town Council at its meeting on 17<sup>th</sup> January 2022 and was approved by the Council as a true statement of procedures undertaken by the Clerk/RFO/Finance Assistant and the internal control and audit procedures are effective and adequate.

Chairman

RFO/Clerk

Approved by Royston Town Council 17<sup>th</sup> January 2022

Minute number

## 1. Meeting the Standards

| Expected Standard               | Evidence of Achievement   | Areas for Development  |
|---------------------------------|---|--|
| 1. Scope of Internal Audit      | Appointment of Internal Auditor reviewed annually. Receipt of detailed work undertaken at each internal audit. Two internal audits carried out each year: intermediate and end of year. Internal audit takes into account both the Council's risk assessment and wider internal control arrangements. Terms of engagement are agreed with the internal auditor.   |  |
| 2. Independence                 | The internal auditor is appointed by the Town Council. The internal auditor does not live in the Town Council area and holds no other role within the Town Council. The internal auditor works for a firm of Chartered Accountants.<br>The audit reports are addressed to Royston Town Council and signed personally by the auditor. The internal auditor has direct access to the Clerk and Finance Assistant during the audits. Internal Audit reports go to Full Council, any recommendations are discussed and an action plan is devised to address any issues. This review is included in the Council minutes.<br>The external auditor is appointed by a sector led body. The external auditor report goes to Full Council, any recommendations are discussed and an action plan is devised to address any issues. This review is included in the Council minutes. |  |
| 3. Competence                   | Members have agreed that the Internal Auditor carries out his/her work ethically, with integrity and objectively. No issues have been raised by the External Auditor.   |  |
| 4. Relationships                | The Town Clerk/RFO and Finance Assistant meet with the Internal Auditor to review files, reports etc.<br>Responsibilities of Officers and Internal Auditor are defined in various policies.<br>Responsibilities of Town Council members are understood by training and policies.  | Consider further Financial Awareness training for recently elected/co-opted members. |
| 5. Audit Planning and reporting | Dates for Internal Audit are agreed between the Town Clerk/RFO and Internal Auditor.<br>Last internal audit took place on 10 <sup>th</sup> December 2021.<br>The annual return was signed on 24 <sup>th</sup> May 2021 by the internal auditor.<br>Audit plan is produced annually.   |  |



## 2 Characteristics of Effectiveness

| Characteristics of 'effectiveness'                                   | Evidence of Achievement   | Areas for development |
|--|---|-----------------------|
| 1. Internal audit work is planned.                                   | Town Council annually produce a risk management assessment statement.<br>Town Council agrees an annual budget statement.<br>Town Council maintains an asset register.<br>Annual Return published on Town Council's web site.<br>Internal audit work is based on risk assessment and designed to meet the Council's needs.<br>Additional Risk Assessments in place due to COVID-19 pandemic. |                       |
| 2. Understanding the whole organisation, its needs and objectives.   | The Town Council has a copy of "Governance and Accountability for Smaller Authorities in England (March 2021)". The annual audit plan shows how the audit will work and will provide assurance in relation to the Council's Annual Governance statement.  |                       |
| 3. Be seen as a catalyst for change                                  | Town Council approves:-<br>Risk Assessment Statements (Annually), Review of Insurance Cover (Annually),<br>Monthly Financial Statements, Monthly Income/Expenditure Budgets.  |                       |
| 4. Add value and assist the organisation in achieving its objectives | Audit reports are presented to appropriate Town Council Meetings.<br>Recommendations are noted or implemented.  |                       |
| 5. Be forward looking  | Internal audit maintains awareness of new developments in services, risk management and corporate governance. Officers keep up to date with best practices and implement where necessary.   |                       |
| 6. Be challenging  | In drawing attention to risks and new possibilities, the Council responds in ways that are appropriate and proportional. The Town Council has introduced a number of Policies (list at end of document).  |                       |
| 7. Ensure the right resources are available                          | Resources made available to Internal Auditor:-<br>Minutes, Policies, Receipts/payments books, cheque counterfoils, asset register, invoices, SAGE cashbook.<br>Financial Regulations, Standing Orders.<br>Financial files.<br>Internal auditor understands the Council and the framework within which it operates.  |                       |

|   |   |
|---|---|
| <u>List of Council Policies adopted by Full Council</u>               | <u>Statement of Intent - Community Engagement</u>   |
| Banners Policy  | The Model Code of Conduct                           |
| Capability Procedure  | Training Strategy                                   |
| Complaints Procedure  | Twitter and Facebook Policy                         |
| CCTV Policy   | Volunteering Policy                                 |
| Data Protection Policy & Statement of Intent                          | Tree Management Policy                              |
| Dignity at Work/Bullying & Harassment Policy                          | Virtual Meeting Procedure                           |
| Disability Policy   | Capability Procedure                                |
| Disciplinary Rules & Procedures & Whistle-Blowing Policy & Procedures | Protocol & Guidance on Meetings with Developers     |
| Disclosure and Barring Service Policy                                 | Employer Pensions Discretions – statement of policy |
| Emergency Plan  | Vexatious Complaints Policy                         |
| Environment Policy  | Privacy Notice                                      |
| Equal Opportunities   |   |
| Financial Regulations – adopted May 2021                              | <u>Museum Policies</u>                              |
| Financial Risk Assessment   | Acquisition & Disposal Policy                       |
| Freedom of Information and Requests Policy                            | Care and Conservation Plan 2016                     |
| Grievance Policy  | Collections Care & Conservation Policy 2016         |
| Health & Safety Policy Statement                                      | Collections Development Policy 2016                 |
| Information Security Policy   | Collections Information and Document Policy 2016    |
| Media Relations Policy  | Care and Conservation Plan 2016                     |
| Policy on Financial Matter  | Documentation Plan 2016                             |
| Policy on Reserves and Balances                                       | Emergency Plan 2016                                 |
| Protocol for Members/Officer relations                                | Emergency Policy Procedures 2012-2015 revised       |
| Protocol & Guidance on meetings with Developers                       | Environmental sustainability policy statement 2016  |
| Records Management Policy & Procedure                                 | Child Protection Policy                             |
| Recruitment of ex-offenders Policy                                    | Museum Forward plan 2014                            |
| Risk Management Strategy  | Access Policy Statement 2016                        |
| Smoke-free Policy   | Volunteer Policy 2014                               |
| Social Media Policy   | CCTV Policy 2018                                    |
| Standing Orders – new orders adopted May 2021                         | Social Media & Electronic Communication Policy      |

**ROYSTON TOWN COUNCIL: RISK MANAGEMENT ASSESSMENT: January 2022**

| Area   | Risk   | Level | Internal Controls ( <i>bold indicates areas where work is needed</i> )   | Internal Audit Assurance  |
|--------|--|-------|--|---|
| Assets | Protection of physical assets owned by the council – buildings, furniture, equipment etc. (loss or damage).<br><br>Legal liability as a consequence of asset ownership (public liability). | M     | Buildings insured. Value increased annually by RPI.<br>Valuation on buildings for insurance purposes.<br><br>Town Hall valuation done by NHDC March 2012.<br><br>Asset register kept and, where there is a change, updated for all assets. From 2013 minimum asset value for register £100.                          | Review of internal controls in place and their documentation.<br><br>Review of management arrangements regarding insurance cover. |
| Assets | The risk of damage to third party property or individuals as a consequence of the council providing services or amenities to the public (public liability).                                | M     | Annual review of risk and the adequacy of cover.<br><br>Public liability insurance held (£10m)<br><br>Ensuring the robustness of insurance providers.  | Testing of specific internal controls and reporting findings to management.   |
| Assets | The risk of consequential loss of income or the need to provide essential services following critical damage, loss or non-performance by a third party (consequential loss).               | L     | Valuation of 30 Kneesworth Street done December 2013.<br><br>Reserves held in accordance with reserves policy.<br><br>Loss of rent/income cover included in insurance.   |   |
| Assets | Security of buildings, equipment etc.  | M     | Caretaker or responsible person checks security of Town Hall when hirers leave. CCTV installed at all entrances to the Town Hall. CCTV installed at Market Hill Rooms.<br><br>CCTV notices displayed and policy held.<br><br>Museum staff secure building when leaving.<br><br>Museum has an audible alarm and CCTV. |   |

|        |                               |   |  |  |
|--------|-------------------------------|---|--|--|
| Assets | Maintenance of buildings etc. | L | Buildings currently maintained on a Maintenance Plan.<br><br>Health & safety checks on equipment and buildings done monthly by contractor, any defaults are rectified. | Compliance contract in place for Town Hall, Museum and Market Hill Rooms. The contract runs for a three year period from 2019. |
|--------|-------------------------------|---|--|--|

| Area      | Risk  | Level | Internal Controls ( <i><b>bold indicates areas where work is needed</b></i> )  | Internal Audit Assurance  |
|-----------|---|-------|--|---|
| Liability | <p>Risk to third party, property or individuals.</p> <p>Ad hoc provision of amenities/facilities for events to local community groups</p> <p>Markets management</p> <p>Car Parks – Market Place &amp; Angel</p> <p>Pavement management</p> <p>Professional services</p> | M     | <p>Insurance in place. Cover £10m.</p> <p>Risk assessments on all properties carried out at a minimum yearly and updated as required/when necessary. Risk assessments of individual events such as Christmas lights and May Fayre carried out as necessary.</p> <p>Risk assessments reviewed annually.</p> <p>Car park surfaces checked twice weekly for defects &amp; records kept.</p> <p>Contractors employed to put up Christmas lights and test fixings when installing them.</p> <p>Internal audit carried out by independent chartered accountants.</p> <p>COVID risk assessments carried out on all properties and continuously reviewed in line with current Government guidelines.</p> | <p>The Internal Control Review Team reviews all Risk Assessment documents and insurance schedules as part of their check on effectiveness.</p> <p>A report on the Effectiveness of the Internal Controls is then submitted to Full Council for adoption.</p> <p>Checked by internal auditor and confirmed as part of the annual return.</p> |

|                    |   |              |   |                                     |
|--------------------|---|--------------|---|-------------------------------------|
|                    | Risk to staff, volunteers, hirers and members of the public – Pandemic (COVID-19) |              | Thorough cleaning schedule carried out by Caretaker/Cleaner and outside cleaning agency. Clear guidance given to hirers. Signage and social distance markers displayed.<br><br>All properties closed when required by law.<br><br>Work places assessed and certified as COVID safe. |                                     |
| Liability          | Plantations management  |              | Contractors maintain Stile and Green Walk plantations. Appropriate liability insurances held.<br><br>Monthly inspections undertaken and damage reported and safety work carried out as required.<br><br>Tree maintenance policy in place.   |                                     |
| <b>Area</b>        | <b>Risk</b>   | <b>Level</b> | <b>Internal Controls (<i>bold indicates areas where work is needed</i>)</b>   | <b>Internal Audit Assurance</b>     |
| Employer Liability | Comply with Employment Law and regulations.                                       | M            | Clerk is a member of SLCC.<br><br>Employer Liability insurance in place (£10m).<br><br>Pension III health liability insurance in place.<br><br>Council is a member of NALC.<br><br>Professional HR advice sought where necessary.   |                                     |
| Employer Liability | Comply with Inland Revenue requirements   | M            | Advice from IR and Sage when required.<br><br>Internal auditor checks books 6 monthly and external auditors carry out annual audit.<br><br>VAT advice received from an independent advisor.   | Internal auditor checks compliance. |
| Employer Liability | Safety of Staff and Visitors  | M            | General risk assessment checks of all properties and office working conditions as required.   |                                     |



|                 |   |       | <p>COVID-19 risk assessments carried out and reviewed on a continuous basis, in line with Government recommendations.</p> <p>Health and Safety Policy in place – updated as required.<br/>Health and Safety posters displayed in all properties</p> <p>Signing in/out book in operation.</p> <p>Regular fire alarm testing and drills. All employees attend fire marshal and first aid training.</p> <p>All appliances PAT tested.</p> <p>Adoption of codes of conduct for members (2021) and an employee handbook.</p> <p>CCTV installed at all entrances to the Town Hall and the main entrance at Market Hill Rooms and the Museum. CCTV notices displayed. CCTV policy adopted.</p> |   |
|-----------------|---|-------|---|---|
| Area            | Risk  | Level | Internal Controls ( <i><b>bold indicates areas where work is needed</b></i> )   | Internal Audit Assurance  |
| Legal Liability | Proper and timely reporting via the Minutes | M     | <p>Council receives and approves Minutes of meetings held.</p> <p>Minutes made available to press and public at the Town Hall and on the council web site. Documented procedures to deal with enquiries from the public.</p> <p>Accessible website in place, with clear accessibility statement.</p> <p>Responding to electors wishing to exercise their rights of inspection.</p> <p>Minutes properly numbered and paginated. From April 2010 copy of all minutes kept electronically.</p>   | Review of minutes to ensure legal powers are available, and the basis of the powers recorded and correctly applied. |

|                 |  |              |  |                                 |
|-----------------|--|--------------|--|---------------------------------|
| Legal Liability | Ensuring all business activities are within legal powers applicable to local councils. | M            | <p>Meeting the laid down timetables when responding to consultation invitations.</p> <p>Ensure Council has the power to act. General Power of Competence adopted in May 2018.</p> <p>Meeting the requirements for the Local Council Award scheme or other accreditation.</p> <p>Monitoring arrangements by the council regarding the Foundation Level.</p>         |                                 |
| Legal Liability | Proper document control  | M            | <p>Original leases and Deeds stored in fireproof safe in main office.</p> <p>Documented procedures for document receipt, circulation, response, handling and filing.</p> <p>Disposal of confidential documents – shredded. Shredding facility available to Councillors for confidential information.</p> <p>Document Retention Policy in place (updated 2021).</p> |                                 |
| <b>Area</b>     | <b>Risk</b>  | <b>Level</b> | <b>Internal Controls (<i>bold indicates areas where work is needed</i>)</b>  | <b>Internal Audit Assurance</b> |
| Data Protection | Computer   | M            | Backups done daily, cloud storage in operation.  |                                 |
| Data Protection | <p>Loss or theft of personal data</p> <p>GDPR</p>                                      | M            | <p>The Town Council is registered with the Information Commissioner.</p> <p>A data protection audit has been carried out and all findings were addressed.</p>  |                                 |

|         |   |                   | <p>Policies for data protection, document retention, freedom of information and a privacy notice have been adopted and published.</p> <p>Annual subscription to Compliant Council Hub for advice and latest information on GDPR regulations. Officers have undertaken GDPR on-line training.</p>   |  |
|---------|---|-------------------|--|--|
| Area    | Risk  | Level             | Internal Controls ( <i><b>bold indicates areas where work is needed</b></i> )  | Internal Audit Assurance   |
| Finance | <p>Responsible Finance Officer</p> <p>Banking</p> <p>Payroll</p> <p>Ensuring all requirements are met under HM Revenue and Customs Notices and regulations (Income Tax and National Insurance).</p> | <p>L</p> <p>M</p> | <p>RFO appointed and recorded in minutes.</p> <p>Investments with Barclays Bank and the Public Sector Deposit Fund. Bank transfers authorised by Town Clerk between RTC accounts only.</p> <p>Investment policy adopted and published.</p> <p>Salaries calculated by Finance Assistant and checked/signed by Town Clerk. BACS payment monthly limit set with bank. Verification received from bank within 2 days and checked by Town Clerk. RTI for salaries in place from Nov 2012.</p> <p>Regular returns to HM Revenue &amp; Customs; contracts of employment for all staff, systems of updating records for any changes in relevant legislation.</p> | <p>Banking reviewed annually by Councillors.</p> <p>Bank signatories appointed annually.</p> <p>Salaries approved annually by council.</p> |
| Finance | Loss of cash through theft or dishonesty (fidelity guarantee)   | L                 | All cash monies received receipted and invoices marked paid. Petty cash balanced monthly. Market takings banked weekly, (during COVID-19 restrictions – takings banked monthly or when amount held is above £1,000).   | Review and testing of arrangements by auditor to prevent and detect fraud and corruption.  |

|         |                                |   |  |   |
|---------|--------------------------------|---|--|---|
|         |                                |   | Insurance cover review ensures adequacy of Fidelity Guarantee insurance. Cover £500,000.   | Checked by internal auditor and reviewed by Councillors annually at the Annual Audit Review. Fidelity Guarantee insurance to be increased to £1m from April 2022.   |
| Finance | Catastrophic Bank failure      | L | Banking arrangements reviewed.<br><br>Reserves invested between two banks.<br><br>Investment policy adopted and published.   |   |
| Finance | Financial controls and records | L | <p>Monthly reconciliation prepared by Finance Assistant and checked by TC and reported to Finance Committee/Full Council.</p> <p>Invoices initialled when cheques are signed by Councillors.</p> <p>Three signatories on cheques required. Authorised cheque signatories confirmed annually and recorded in minutes.</p> <p>Internal Auditor visits and checks 6 monthly.</p> <p>External Audit year-end accounts.</p> <p>Standing orders and financial regulations dealing with the award of contracts for services or the purchase of capital equipment. Reviewed annually.</p> <p>Annual review of contracts.</p> <p>Reporting on performance by suppliers/providers/contractors as required.</p> <p>Monthly scrutiny of financial records and proper arrangements for approval of expenditure.</p> <p>Adoption of and adherence to codes of practice for procurement and investment.</p> | <p>Review of internal controls in place and their documentation. Review undertaken by councillors and reported to Full Council.</p> <p>Internal Auditor - Testing of specific internal controls and reporting findings to Full Council.</p> <p>Testing of income and expenditure from minutes to cashbook, from bank statements to cashbook, from minutes to statements etc. including petty cash transactions.</p> <p>Payroll checked</p> <p>Review of adequacy of insurance cover provided by suppliers.</p> <p>Debtor and creditor turn checked.</p> |

|         |  |            |   |  |
|---------|--|------------|---|--|
|         |  |            | <p>Clear statements of management responsibility for each service. Developing systems of performance measurement to scrutinise performance against targets.</p> <p>Arrangements to detect and deter fraud and/or corruption.</p> <p>Keeping proper financial records in accordance with statutory requirements.</p>   | Review and testing of arrangements to prevent and detect fraud and corruption. |
| Finance |  |            | <p>Ensuring the proper use of funds granted to local community bodies under specific powers or under The General Power of Competence as adopted by Council on 14<sup>th</sup> May 2018, minute number 16/19.</p> <p>Instant Accounts &amp; Payroll – password protected.</p> <p>Daily and weekly backups taken.</p> <p>Cloud storage being used.</p>              |  |
| Finance | Comply with Customs and Excise Regulations | L          | <p>Use help line when necessary. VAT payments and claims calculated by Finance Assistant and checked by Town Clerk. Submitted via accounts package. Processed quarterly.</p> <p>Training for the Responsible Financial Officer and Finance Assistant in matters of VAT and other taxation issues as necessary. VAT advice sought from an independent advisor.</p> |  |
| Finance | Sound budgeting to underlie annual precept | M<br><br>L | <p>Income and Expenditure against budget reported to Finance Committee monthly. (Reported to Full Council during COVID-19 restrictions)</p> <p>Considered at review of final accounts and budget setting.</p>   | Budget reviewed by internal auditor.   |

|             |   |                            |  |  |
|-------------|---|----------------------------|--|--|
|             | Adequacy of Reserves – General & Earmarked  |                            | <p>Budget Working Party review draft Budget for following year.</p> <p>Reserves policy held – revised January 2021.</p> <p>Finance Committee receive detailed draft budget in the late autumn. To discuss and amend. (Reported to Full Council during COVID-19 restrictions).</p> <p>Annual Precept derived directly from this.</p> <p>Presented to Full Council Dec/Jan for approval.</p>   |  |
| Finance     | Complying with borrowing restrictions   | L                          | Public Works Loan Board facility agreed for the purchase of the Market Place - £300,000. Repayments included in annual budget.   | Loan taken out on the 24.7.14 for a period of 25 years.  |
| <b>Area</b> | <b>Risk</b>   | <b>Level</b>               | <b>Internal Controls (<i>bold indicates areas where work is needed</i>)</b>  | <b>Internal Audit Assurance</b>  |
| Continuity  | <p>Staff- Loss of key personnel (Clerk)</p> <p>Other employed staff</p> <p>Town Councillors</p> | <p>L</p> <p>L</p> <p>L</p> | <p>Hours, health, stress, training, long term sick, early departure – risk monitored and managed as appropriate.</p> <p>Pension III Health Liability Insurance in place.</p> <p>Assistant Town Clerk to undertake further training and become CiLCA qualified.</p> <p>Training and supervision monitored.</p> <p>15 Councillors were elected in May 2018.</p> <p>Councillors attended training course in June 2018.</p> <p>2 Councillors resigned. 1 Councillor elected in By-election held in May 2021. 1 Councillor co-option. All new councillors offered training.</p> | <p>Councillor training will be arranged and offered to all councillors after the election in May 2022.</p> |

| Area                  | Risk   | Level  | Internal Controls ( <i>bold indicates areas where work is needed</i> )  | Internal Audit Assurance               |
|-----------------------|--|--|---|--|
| External Areas        | Monitoring of performance against agreed standards under partnership agreements  | L  | Annex (Complex) contract with NHDC.   | Changes reported to Finance Committee. |
| Area                  | Risk   | Level  | Internal Controls ( <i>bold indicates areas where work is needed</i> )  | Internal Audit Assurance               |
| Councillors propriety | Registers of Interests and gifts and hospitality in place  | H  | <p>All elected Councillors signed up to New Code of Conduct in May 2018. Subsequent co-opted or elected councillors will also sign the code of conduct. Code of conduct updated June 2021.</p> <p>Register of interests complete, accurate and up to-date.</p> <p>Procedures in place for recording and monitoring Members' interests and Gifts and Hospitality received.</p> | Testing of disclosures.                |
|                       |  | <b>Next Review date: January 2023</b>  |   |  |
|                       | <p><b>Adopted by Full Council 22/01/2018 (minute no 332/18)</b></p> <p><b>Adopted by Full Council 25/03/2019 (minute no 384/19)</b></p> <p><b>Adopted by Full Council 23/03/2020 (minute no. 361/20)</b></p> | <p><b>Reviewed by Internal Audit team: 7<sup>th</sup> January 2022</b></p> <p><b>Adopted by Full Council</b></p> <p><b>Date: 17<sup>th</sup> January 2022 (minute no )</b></p> <p><b>Chairman: Cllr M Hughes</b></p> |   |  |

## **Full Council meeting Monday 17<sup>th</sup> January 2022**

### **Agenda Item 13 - Royston Councillors Surgeries**

As Town councillors will be aware, NHDC officers organise a regular Councillors' surgery to which not only District councillors but also Town and County councillors as well as the police and the Conservators of Therfield Heath, and other relevant bodies are invited. This event is a cross party and thus apolitical event run by officers, at which everyone works together to address casework and issues brought to the surgery by the public.

During lockdown these surgeries took place successfully by Zoom but it was found that attendance at the virtual surgeries dwindled as restrictions lifted and people were out and about again. In the past they have occurred on Angel Pavement but as there is now more seating outside the café there it is considered that holding the surgery there now could block the walkway. The most recent event was held at the Cross but this did not attract sufficient footfall.

The surgery needs to be held centrally to pick up sufficient footfall. It is held purely for the benefit of residents, to allow them to air their concerns with relevant authorities without them having to know which the relevant authority is.

- I therefore propose that Royston Town Council formally allow the surgeries to take place on the Market on Saturday mornings.
- Furthermore, as the surgeries are a service to all residents and include Town Councillors, I propose that the not-for-profit fee of £10 for a single pitch be waived by arrangement with the Market Manager for the surgeries.

Of course the dates would need to be discussed with the Market Manager well in advance given how booked up the market is currently, and the Market Manager would always have the final right of veto.

Cllr Carol Stanier

Motions -

- a) Members are to resolve to approve that the councillors surgeries can be held on Royston market on Saturday mornings.
- b) Members are to resolve to waive the market pitch fee for the councillor surgeries.



**Agenda item 14 – Diversity Forum Working Party**

Terms of reference for the Diversity Forum Working Party -

- a) The working party will contain four Members of Royston Town Council.
- b) The aim of the working party is to allow better representation of the views of a more diverse section of the population of Royston and to feed back ideas to the Council.  
The membership of the forum should consist mostly of non-councillor representatives of black, Asian and minority ethnic origins, LGBTQ+ orientations, minority faith groups, young people and elderly people's groups, and groups for those with disabilities who live within Royston.  
Members of the working group can be invited to speak at Full Council meetings on topics being debated that are of interest to them.
- c) The working party will report to Full Council.
- d) A minimum of four members will constitute a quorum for meetings. This will include a minimum of two councillors and any two other members of the working group.
- e) Non-councillors can be invited to join the working party.
- f) At the first meeting of the working party, members of the working party shall elect a Chair for the term. The Chair will be a Royston Town Councillor. In the event that the Chair retires mid-term they shall again elect a Chair from within their numbers.
- g) Meetings will be called as necessary in order to conduct current business as determined in the Terms of Reference and as instructed by the Council. As a 'Working Party', public notice of meetings or public admission to meetings is not required. Also full minutes of meetings are not required; however notes from meetings will be submitted to Full Council to be accepted into the workings of the Council.
- h) The Working Party may only use the resources as delegated by Full Council, and has no mandate to make decisions on behalf of the Council.
- i) Specifically, this committee has the delegated authority to:
  - To consider and investigate all matters relevant to Royston Town Council and to provide feedback to the Town Council for consideration.

## BULLYING AND HARRASSMENT STATEMENT

As a first step in the promotion of civility and respect, councils may wish to add a statement to their websites stating that bullying, harassment and intimidation will not be tolerated.

This is a suggested wording for those councils wishing to add a bullying and harassment statement to their websites:

*'We treat everyone with courtesy and respect and ask for the same in return. We ask that you treat your councillors and council staff courteously without violence, abuse or harassment.*

*Councillors and council staff have the right to carry out their civic duties and work without fear of being attacked or abused.*

*Any behaviour whether that be verbal, physical or in writing, which causes either councillors or council staff to feel uncomfortable, embarrassed, or threatened, is totally unacceptable.*

*The zero tolerance policy includes abuse, aggression or threats made in person, over the telephone or in written communication, including on social media. The council considers threatening behaviour to be:*

*Attempted or actual aggressive, or physical actions made towards any councillor or member of staff.*

*The use of aggressive, or abusive language, (including raising of the voice, swearing, shouting or in writing) which threatens or intimidates councillors or council staff'.*

This policy applies throughout all council meetings, but it also applies to any councillor or council staff away from council meetings.

