



RESOURCES AND GENERAL SERVICES COMMITTEE

Members of the Resources and General Services Committee
are summoned to attend a Meeting at **7.30pm** on

Wednesday, 10 April 2024

at Loughton Town Council, Council Chamber, 1 Buckingham Court,
Rectory Lane, Loughton IG10 2QZ

to transact the business as shown in the agenda.

Mark Squire
Town Clerk
3 April 2024

Councillor M Owen (Chairman)
Councillor S Fontenelle (Vice Chairman)

Councillors
R Brookes
S Murray

B Cohen
M Stubbings

W Kauffman

Note to Councillors:
If you are unable to attend the meeting,
please phone your apologies to the office on 020 8508 4200.

A G E N D A

- 1 Apologies for absence**
To RECEIVE any apologies for absence.
- 2 Declarations of Interest**
Councillors to declare any pecuniary or non-pecuniary interest in any items on the agenda.
- 3 Confirmation of Minutes**
To CONFIRM the minutes of the meeting held on 7 February 2024.
- 4 Public Representations**
To hear any representations from members of the public who have registered a request to address the Committee in accordance with no 5, Appendix C, of the Standing Orders.
- 5 Restore Community**
Following a request from the Financial Assistance Working Party, Jo Mackey and Hester Botha of Restore Community, will deliver a short presentation to enable members to gain further insight of their Loughton projects / work across the Restore Community.
- 6 Town Clerk's / Chairman's Report**
To report (for discussion only) on any further significant information / matters that may be of interest to Committee members.

To receive and NOTE.
- 7 Training and Conferences**
The Town Clerk and Finance & Administration Officer attended a 2024 year-end webinar held by our finance system provider Rialtas, on 7 February 2024, which provided hints and tips ahead of year end closedown.

The Town Council organised and provided a Community Defibrillator Seminar at The Murray Hall on 29 February 2024, which was attended by a number of Councillors, Officers and residents. The session delivered invaluable defibrillator training.
- 8 Annual Town Meeting**
The draft minutes for the 2024 Annual Town Meeting held on 5 March 2024 were circulated to members on 13 March 2024. No issues arose requiring further consideration by the Town Council.

To receive and NOTE.
- 9 Staff Salaries 2024/25**
The SLCC (Society of Local Council Clerks) have advised that the trade unions have submitted their pay and conditions claim for 2024/25 to the National Employers.

The employers' side will consult with representatives (up to the end of March 24) before deciding on an offer to the unions claim.

To receive and NOTE.

10 Staff Appraisals

All staff appraisals have now been completed.

11 Meetings Schedule

Following the publication of the Epping Forest District Council (EFDC) 2024/25 schedule of meetings, the Loughton Town Council definitive schedule of meetings for 2024/25 has been agreed and circulated.

12 80th Anniversary of D-Day Landings Commemoration

The Town Council are participating in the commemoration on 6 June 2024, and have received a certificate of grateful recognition. See attached report page 5.

To receive and NOTE.

13 Finance

13.1 Current Financial Position

The current financial position as at 31 January 2024 is attached together with details of the funds available from earmarked reserves (see pages 6-7).

A note of the Council's current bank balances and most recent reconciliations as at 29 February 2024 are attached (see pages 8-10).

13.2 Accounts Paid

Payments totalling £332,229.70 as detailed on payment schedules nos 387-388 (see pages 11-12) have been made since the report to the meeting on 7 February 2024. Schedules and accompanying invoices are available at the Council offices for inspection.

For information, details of all Council payments in excess of £500 are provided on the Council's website under the 'Finance and Transparency Schedule of Payments' section.

14 Internal Financial Check

To receive and NOTE that Cllr Murray visited the office on 26 March 2024 and undertook an internal financial inspection of monthly payroll / tax & NI / pensions from 1 April 2023 to date. All was found to be in order.

15 Annual Insurance

The Committee is asked to NOTE that the annual premium for 2024/25 is £11,063.46, payable for 1 April 2024 (van policy from 29 March 2024). This is the final year of a 3-year contract with Zurich and also includes the fully comprehensive cover for the Town Council's lease van.

The policy is index linked, with the rate of increase this year being 5%.

As per our procedures the Town Council will review the insurance cover and request three quotations before reviewing for 2025/26 onwards.

16 Governance and Accountability

This agenda item is in preparation for the completion of the Annual Return, Section 1 the Annual Governance Statement, for the year ended 2023/24 which is scheduled for the Council meeting on 15 May 2024.

Members are encouraged to refer to the following publication "Governance and Accountability, A Practitioners' Guide", which provides advice on the accounting practices to be followed and sets out the appropriate standard of financial reporting to be followed. An electronic version may be downloaded at

[Practitioners Guide 2023 file \(nalc.gov.uk\)](http://nalc.gov.uk) – link to new guide to be added if available.

Alternatively, members may request a paper copy from the Council Office.

16.1 Internal Audit – last approved April 2023

16.1.1 Review of the Effectiveness of the System of Internal Audit

* See attached report (see pages 13-14).

16.1.2 Review of the Effectiveness of the System of Internal Control – last approved April 2023

* See attached report (see pages 15-16).

16.2 Risk Assessment and Management – last approved April 2023

See attached report (see page 17).

17 Year End 2023/24 Accounts

The Annual Governance and Accountability Return (AGAR) requirements were published by our external auditors PKF Littlejohn LLP (PKF) on 18 March 2024 for this financial year ending 31 March 2024.

To enable the closure of 2023/24 year end accounts, the following dates have been diarised

- Year- end accounts closedown with RBS Omega – 2 May 2024
- Internal Audit visit from Heelis & Lodge – 13 May 2024
- Submission of accounts to Town Council – 15 May 2024
- Submission of AGAR to PKF – by 1 July 2024

To receive and note.

18 2024/25 Fees for Hall Hire; Football Pitches and Licence Fees

To NOTE the following as AGREED in the Recreation Committee on 31 October 2023 – minute number RC279:

- All fee levies relevant to the Recreation Committee are raised by 7% (rounding up to the nearest pound) on the current 2023/24 fees, for 2024/25, with exception of the following, which will remain static (due to lack of take up):
- Current fees for the use of Town Council land by television crews / film crews.
- The maximum annual licence for commercial organisations using Council land for business related activities, such as boot camps.

19 2024/25 Cemetery Fees / Licence for vehicle access to Roding Road allotment site

To NOTE the following as AGREED in the Environment & Heritage Committee on 15 November 2023 – minute number EH253:

- All cemetery and Licence for vehicle access (Roding Road allotment site) fees are increased by 7% (rounding up to the nearest pound) on the current 2023/24 fees, for 2024/25.

20 Franking Machine

Our supplier has notified us that our service agreement on the office franking machine is now outside it's warranty / 5-year performance guarantee. Costs of a new rental machine has significantly increased.

Analysis shows unless we are using on average approximately 40 second class stamps a week, the savings would be minimal. Since we no longer post agendas, Christmas cards etc., generally the average weekly usage is much less than this. Additionally, formal written correspondence is now 'few and far between' as e-mails prevail.

Perversely, whilst the cost of postage stamps continues to increase, it will still be cheaper to purchase stamps than continue with a franking machine contract. Stamps can be bought in bulk from our stationery provider.

Recommend that the office, serve notice to our current provider, using up the current balance of postage within the machine, and transfer to using postage stamps.

Mark Squire
TOWN CLERK
3 April 2024

Agenda Item 12

80th Anniversary of D-Day Landings Commemoration

Report updates on 80th Anniversary D-Day Landings Commemoration Lighting of the Beacon on Hillyfields Open Space event – the evening of Thursday 6 June 2024

Following the procedure provided by Pageant Master Bruno Peek – please see link for further details.

[Introduction — D-DAY 80 BEACONS](#)

The following organisations have been contacted with a view to being included in the event.

- Official 80th Anniversary D-Day Landings Flag of Peace – *ordered and received a certificate of participation.*
- CBSV to provide PA and Sound equipment – *ordered and agreed.*
- Deputy Lord Lieutenant of Essex Mr Amrik Singh Sandhu, DL – to Light the Beacon - *Agreed*
- Scouts' organisation to read the Tribute – has been passed on to relevant parties in the 41st Epping Forest to get the discussion moving along - *waiting confirmation after Easter Break.*
- Churches Together in Loughton to give a reading/prayer/say a few words – *no response yet.*
- St John the Baptist Church – Bell Ringers as part of the Central Council of Bell Ringers to “Ring Out in Peace” with the Nation at 6pm – *no response yet*
- Loughton Branch of Royal British Legion to reach out to Veterans/TA's/Flag Bearer – *no response yet.*
- Fish and Chip Van – The National Federation of Fish Friers are involved with the commemoration. “For over 160 years fish and chips have been a firm favourite for the nation. This was never more important than during the war years where the ingredients were left unrationed to help feed those involved in the war effort and keep the country and the factories working” – *in communication with the National Federation of Fish Friers for a van to attend.*
- Souvenir Programme – *in hand*
- EFDC – Temporary Events Notice – *to do.*
- Notify Essex County Fire & Rescue of controlled burns event – *to do.*
- Notify Police – *to do.*
- Informing residents and inviting to the event via Posters / Notices / social media / Think Loughton – *on going.*
- Event Procedure – *on going.*
- Risk Assessment – *on going.*

Pippa Bryce
27 March 2024

Agenda item 13
Current Financial Position

Loughton Town Council
Summary Income & Expenditure by Budget Heading 31/01/2024
Month No: 10 Resources and General Services Committee Report

		Actual Last Year	Actual Year To Date	Current Annual Budget	Variance Annual Total	Funds Available	% of Budget
Resources and General Services							
Communication	Expenditure	18,042	11,608	18,355	6,747	6,747	63.2%
Office Expenses	Expenditure	16,562	6,710	15,125	8,415	8,415	44.4%
Audit	Expenditure	3,408	246	3,305	3,059	3,059	7.4%
Central Personnel	Expenditure	391,213	340,089	412,200	72,111	72,111	82.5%
Council Expenses (1)	Expenditure	14,325	15,162	19,970	4,808	4,808	75.9%
Other Services (RGS)	Expenditure	1,776	315	400	85	85	78.7%
Members' Expenses	Expenditure	1,626	159	2,360	2,201	2,201	6.7%
Buckingham Court	Expenditure	70,474	49,595	64,906	15,311	15,311	76.4%
	Income	0	1,162	2,000	838		58.1%
Service Re-charge (2)	Expenditure	-285,000	0	-371,000	0	0	0.0%
Library	Expenditure	7,781	0	0	0	0	
Grants	Expenditure	29,364	10,899	38,500	27,601	27,601	28.3%
	Income	7,013	5,000		-5,000		

INCOME – EXPENDITURE TOTALS

R&GS Expenditure (3)	<u>269,572</u>	<u>434,782</u>	<u>204,121</u>	<u>230,661</u>		<u>213.0%*</u>
Income	<u>7,013</u>	<u>6,162</u>	<u>2,000</u>	<u>4,162</u>		<u>308.1%</u>
Net Expenditure over Income	<u>262,558</u>	<u>428,620</u>	<u>202,121</u>	<u>226,499</u>		

Notes:

- (1) Council Expenses – “Actual Year To Date” – includes the Town Council annual Insurance.
- (2) The Service Recharge will be applied at the financial year-end.
- (3) Percentage over as service recharge figure not added in. As from 1 April 24, recharge figure will be added back pro rata.

Agenda item 13 cont.
Earmarked Reserves for 2023/2024

A summary of the Committee's reserves showing the amounts available from reserves in this current financial year is provided below:

Resources and General Services Committee	31.01.24
Elections	19,854.81
Total	19,854.81

Agenda item 13.2

Accounts Paid

Date:04/03/2024

Loughton Town Council

Page 1

Time: 14:34

Bank Reconciliation Statement as at 31/01/2024 for Cashbook 1 - No 1 Current Account

User: JCG

<u>Bank Statement Account Name (s)</u>	<u>Statement Date</u>	<u>Page No</u>	<u>Balances</u>
Nat West no. 1 account	31/01/2024		85,323.80
			85,323.80
<u>Unpresented Payments (Minus)</u>			<u>Amount</u>
30/11/2023 11386 P525	SME Invoice Finance Limited		680.03
14/12/2023 11408 P581	Regional Waste Recycling Comme		821.60
18/12/2023 11417 P595	HAGS-SMP Ltd		337.92
19/01/2024 11421 P617	The Play Inspection Company Lt		642.60
19/01/2024 11422 P618	Hobart UK		289.77
19/01/2024 11423 P619	Gracelands Complete Maintenanc	1,516.54	
19/01/2024 11424 P621	Couno Office Solutions Limited	57.72	
19/01/2024 11425 P622	James Todd & Co. Ltd.	114.18	
19/01/2024 11426 P623	SME Invoice Finance Limited	680.03	
19/01/2024 11427 P624	Gareth Griffith t/a Greenhill	900.00	
19/01/2024 11428 P625	The Society of Local Council C	108.00	
19/01/2024 11429 P627	TBS Hygiene Ltd	90.00	
19/01/2024 11430 P628	Pinnacle Group Ltd	600.00	
19/01/2024 11431 P629	C & T Window Cleaning Services	100.00	
19/01/2024 11432 P630	Open Spaces Society	45.00	
19/01/2024 11408 canx	Regional Waste Recycling Comme	-821.60	
19/01/2024 11433 P631	Regional Waste Recycling Comme	1,313.20	
19/01/2024 11434 P636	Zurich Insurance Company	1,166.72	
19/01/2024 11435 P637	Nisbets PLC	95.00	
19/01/2024 11436 P638	H2O Nationwide Ltd	108.00	
19/01/2024 11437 P639	Chubb Fire & Security Ltd	83.52	
19/01/2024 11438 P641	AtoZ Supplies	100.76	
19/01/2024 11443 P674	EDF Energy Ltd	819.18	
26/01/2024 SD51	Keeley Stamp	350.00	
30/01/2024 SD52	Ronnie Norman	250.00	
			10,448.17
			74,875.63
<u>Unpresented Receipts (Plus)</u>			
		0.00	
			0.00
			74,875.63
		Balance per Cash Book is :-	74,875.63
		Difference is :-	0.00

**Agenda item 13.2
Accounts Paid cont.**

Date:04/03/2024	Loughton Town Council	Page 1
Time: 11:51	Bank Reconciliation Statement as at 31/01/2024 for Cashbook 2 - No 2 Current Account	User: JCG

<u>Bank Statement Account Name (s)</u>	<u>Statement Date</u>	<u>Page No</u>	<u>Balances</u>
Nat West no. 2 account	31/01/2024		58,457.29
			58,457.29
<u>Unpresented Payments (Minus)</u>		<u>Amount</u>	
19/01/2024 P649 D J Wixley		75.36	
19/01/2024 824 P646 HMRC only 120PW00111168		8,831.98	
19/01/2024 825 P647 Essex Pension Fund		9,480.57	
			18,387.91
			40,069.38
<u>Unpresented Receipts (Plus)</u>			
		0.00	
			0.00
			40,069.38
		Balance per Cash Book is :-	40,069.38
		Difference is :-	0.00

Date:04/03/2024	Loughton Town Council	Page 1
Time: 11:45	Bank Reconciliation Statement as at 31/01/2024 for Cashbook 3 - NatWest Business Reserve Acc	User: JCG

<u>Bank Statement Account Name (s)</u>	<u>Statement Date</u>	<u>Page No</u>	<u>Balances</u>
NatWest Business Reserve Acc	31/01/2024		102,065.88
			102,065.88
<u>Unpresented Payments (Minus)</u>		<u>Amount</u>	
		0.00	
			0.00
			102,065.88
<u>Unpresented Receipts (Plus)</u>			
		0.00	
			0.00
			102,065.88
		Balance per Cash Book is :-	102,065.88
		Difference is :-	0.00

**Agenda item 13.2
Accounts Paid cont.**

<u>Bank Statement Account Name (s)</u>	<u>Statement Date</u>	<u>Page No</u>	<u>Balances</u>
Santander	31/01/2024		311,032.33
			<u>311,032.33</u>
<u>Unpresented Payments (Minus)</u>		<u>Amount</u>	
		0.00	
			<u>0.00</u>
			311,032.33
<u>Unpresented Receipts (Plus)</u>			
		0.00	
			<u>0.00</u>
			311,032.33
		Balance per Cash Book is :-	311,032.33
		Difference is :-	0.00

<u>Bank Statement Account Name (s)</u>	<u>Statement Date</u>	<u>Page No</u>	<u>Balances</u>
Nationwide Instant Saver Acc	31/01/2024		105,721.62
			<u>105,721.62</u>
<u>Unpresented Payments (Minus)</u>		<u>Amount</u>	
		0.00	
			<u>0.00</u>
			105,721.62
<u>Unpresented Receipts (Plus)</u>			
		0.00	
			<u>0.00</u>
			105,721.62
		Balance per Cash Book is :-	105,721.62
		Difference is :-	0.00

Agenda item 13.2
Accounts Paid cont.

Leighton Town Council
Payments received
List of payments made between 12 January to 8 February 2024

Table with columns: Invoice No., Invoice Date, Description, Amount, Paid, Status, Reference Number, Date. Contains multiple sections of financial data including 'For information As - 1 account', 'For information As - 2 account', and 'For information As - 3 account'. Includes a 'Total' row at the bottom of the data sections.

Warranties and other entries for payments
Signed: [Redacted] Date: 23/2/24
Signed: [Redacted] Date: 26/2/24
Print name:
Date reported to GRC Com


Agenda item 13.2
Accounts Paid cont.


Loughston Town Council
Payment record
List of payments made between 9 February to 18 March 2024

Invoice No.	Date Paid	Payee Name	Chq No.	Paid	P No.	Transaction details	Year
For information No. 1 Account							
102070436X	18/03/2024	Essex County Council	11476	4,350.00	P746	Loughston Tree Survey	2023/24
28	18/03/2024	Clarke Hillier	11477	778.44	P747	B Cit Service Chg Mar - May 24	2023/24
P23 AWL	18/03/2024	Restore Community	11478	3,000.00	P748	Financial Assist Noah's Ark Toddler G	2023/24
24895	18/03/2024	Gracelands CMS Ltd	11479	120.00	P750	Heating repairs	2023/24
120841	18/03/2024	Purifier Security Systems Ltd	11480	156.94	P751	Annual alarm Maint plan renewal	2023/24
5031	18/03/2024	TBS Hygiene Ltd	11481	72.00	P753	Dog waste bin collection - Feb	2023/24
P38	18/03/2024	Deryn Gul	11482	30.00	P754	WRA - Key deposit refund	2023/24
58502	18/03/2024	Signway Supplies (Dutchel) Ltd	11483	226.00	P757	Gillingham Path name plate	2023/24
69362	18/03/2024	James Todd & Co	11484	114.58	P758	Payrol Feb	2023/24
17939	18/03/2024	Mison ICT Ltd	11485	303.36	P759	Website hosting May 24 to Apr 25	2023/24
2319	18/03/2024	Conno Office Solutions Limited	11486	102.06	P760	Printing Feb	2023/24
1030300	18/03/2024	Chubb Fire & Security Ltd	11487	41.76	P761	Cemetery Maint extinguishers	2023/24
472	18/03/2024	Qualis Property Solutions	11488	52,784.42	P762	Ground maint Feb	2023/24
E232765	18/03/2024	Regional Waste Recycling (Commercial) Limited		57.20	P763	RH Refuse Feb	2023/24
E232766	18/03/2024	Regional Waste Recycling (Commercial) Limited		156.00	P764	M4 Refuse Feb	2023/24
E232763	18/03/2024	Regional Waste Recycling (Commercial) Limit	11489	312.00	P765	Cemetery Refuse Feb	2023/24
19785	18/03/2024	The Community Heartbeat Trust (Solutions) Lt	11490	210.00	P768	Delft training session	2023/24
9089793638	18/03/2024	Royal Mail Group Ltd	11491	1,660.52	P767	TL postage cost	2023/24
162173	18/03/2024	Terry Tew Sound & Light Ltd	11492	60.00	P768	MH SoundPA system service	2023/24
1023548	18/03/2024	Pinnacle Housing Limited	11493	600.00	P769	WRPF Ground maintenance	2023/24
3901	18/03/2024	Deigate Limited	11494	865.00	P770	Council Chamber lights maint	2023/24
41369	18/03/2024	SME Invoice Finance Limited (Think Business)		883.91	P771	KH clearing Aug	2023/24
42703	18/03/2024	SME Invoice Finance Limited (Think Business)		680.03	P772	KH clearing Feb	2023/24
42450	18/03/2024	SME Invoice Finance Limited (Think Business)	11495	865.67	P894	Replacement chq for 001456	2023/24
0045	18/03/2024	Aurtec Tree Services		420.00	P773	Fallen tree in Cem	2023/24
5901	18/03/2024	Aurtec Tree Services	11496	144.00	P774	WRPF Oak Tree work	2023/24
531272594	18/03/2024	Zurich Municipal		168.00	P775	Van insurance increase	2023/24
530644626	18/03/2024	Zurich Municipal	11498	8,696.74	P799	2024/25 insurance	2023/24
IN09681252	18/03/2024	Noover Commercial Gas Limited	11499	848.91	P776	Xmas Light electric	2023/24
	18/03/2024	Essex Playing Fields Association	11500	40.00	P777	Subs for EPA 2024/Comp entrk.	2023/24
	18/03/2024	CPRE	11501	35.00	P778	Subs for 2024	2023/24
	18/03/2024	3Food4U	11502	75.00	P779	Replacement chq for Xmas window cont	2023/24
For information Direct Debits:							
IV00167845		SSE	DD	47.21	P752	KG - Xmas Lights - Electricity	2023/24
IV00275495		SSE	DD	85.57	P755	KG - Xmas Lights - Electricity	2023/24
IV00296035		SSE	DD	12.83	P756	WRPF - Electricity	2023/24
For information BACS payments made from No. 1 Account							
K5H 038		JMF Maintenance Ltd	BACS	1,375.24	P780	Replacement for Chq 11458	2023/24
Proforma		KBL	BACS	2,577.00	P781	Jessel Rides Deposit	2023/24
20101		Charged Electric Vehicles Limited	BACS	2,974.40	P782	Car charger installed at MH	2023/24
For information No. 2 Account							
760855/1		NatWest	DD	20.80	P748	Autopay Charges Feb 24	2023/24
		LTC Staff	BACS	24,850.71	P783	Staff net wages March	2023/24
		HMRC	829	9,258.70	P784	Staff NIC & Tax March	2023/24
		Essex Pension Fund	829	9,661.75	P785	Staff Pensions	2023/24
		D.J.Widley	831	100.05	P788	Parish Basic Allowance	2023/24
		C.P.Pond	832	98.00	P787	Parish Basic Allowance	2023/24
		C.C.Pond	834	72.00	P788	Parish Basic Allowance	2023/24
		C.Davies	835	120.00	P789	Parish Basic Allowance	2023/24
		T.Downing	838	72.00	P790	Parish Basic Allowance	2023/24
		R.E.Brookes	837	96.00	P791	Parish Basic Allowance	2023/24
		M.D.Stubbings	838	120.00	P792	Parish Basic Allowance	2023/24
		B.Cohen	838	120.00	P794	Parish Basic Allowance	2023/24
		S.A.Murphy	840	72.00	P795	Parish Basic Allowance	2023/24
		L.H.House	841	120.00	P796	Parish Basic Allowance	2023/24
		G.A.Wiskin	842	120.00	P797	Parish Basic Allowance	2023/24
		N.J.MacKinnon	843	120.00	P797	Parish Basic Allowance	2023/24
		S.M.Fortensilla	844	120.00	P798	Parish Basic Allowance	2023/24
For information Account Transfer							
		NatWest No. 1 to NatWest No. 2	Trf	90,000.00	T24	Feb top up current from Freeport	2023/24
		2002/2024 Santander to NatWest No. 1	Trf	43,040.75	T25	Feb Salaries and Tax top up	2023/24

Total £ 224,889.67

We certify that the cheques, transfers and other orders for the sum of £ 224,889.67 and payees as

Signed: 
Print name: G.A. WISKIN

Signed: 
Print name: M.D. STUBBINGS

Schedule number	388
Date reported to RGS Cttee	

* 21/3 - HMRC Chq No. 829 £9,258.70 CANCELLED AS NUMBERS/WORDS DIFFER,
REPLACED WITH Chq No. 845

Agenda item 16
Governance and Accountability

16.1 Internal Audit

This report forms part of the preparation work for the completion of Section 1 of the Annual Return, the Annual Governance Statement, (which will be considered at the meeting of the Council in May 2024) with cross reference to the appropriate wording from the 'Governance and Accountability for Local Councils - A Practitioners Guide (England March 2014)'.

16.1.1 THE EFFECTIVENESS OF THE SYSTEM OF INTERNAL AUDIT

The Council is required to carry out, at least annually, a review of the effectiveness of its system of internal audit and consider the findings. This review is an integral part of continually improving governance and accountability. The result of the review will form part of the review of the effectiveness of the system of internal control (see 14.1.2).

The system of internal audit at Loughton Town Council (LTC) currently consists of:

1. the appointment of internal auditors;
2. a five-year strategic plan for Internal Audit for the period up to and including the financial year 2023/24 with the proviso that the Council may request specific work by the auditor should service levels change or issues arise;
3. one visit from the internal auditors during the year, during which the auditors may have access to whatever records, documents etc they require;
4. one visit after the end of the financial year when the year-end accounts have been completed, access as above;
5. ensuring work covered during the visits is wide-ranging and includes checking the proper treatment of receipts and payments, bank reconciliations, payroll, petty cash, adherence to statutory requirements, financial procedures, systems and regulations, insurance, assets, risk management, budget setting and monitoring, and VAT;
6. receipt of a report from the internal auditor after each visit, stating the areas covered and the findings, and making any necessary recommendations for change;
7. sending a copy of the full report to all members of the Council;
8. reporting any recommendations to the Resources and General Services Committee for consideration; and
9. acting upon any decisions made by the Committee in respect of the recommendations.

As detailed in the internal auditor's reports, the work carried out by them in the last twelve months has included detailed reviews and inspections of:

- i. Accounting arrangements and bank reconciliations
- ii. Corporate governance
- iii. Review of expenditure
- iv. Assessment and management of risk
- v. Precept determination and budgetary control
- vi. Income controls
- vii. Petty cash account
- viii. Salaries and wages
- ix. Asset control, investments and loans
- x. Year-end procedures

The Committee is asked to review the effectiveness of the system of internal audit as detailed above.

Notes: The Committee should base its review around the following areas and consider the extent to which the internal audit adds value and how well it helps with the delivery of the Council's objectives:

- **Scope of the internal audit** (as listed in items 1 – 9 and i – x above).
- **Independence of the internal auditors** – currently, the Council employs Heelis & Lodge who are completely independent of the Town Council. Reports are made in their own name, and they play no part in the Council's management, control or decision making.
- **Competence of the internal auditors** – Heelis & Lodge are a professional audit company with qualified auditors, long experience of local government and a good understanding of local councils.
- **Relationships** – Heelis & Lodge have no input into other financial matters in the Council, e.g., accounting, financial statements, annual return (other than signing Section 4, Annual Internal Audit Report). The roles of members, officers and internal auditors are clearly understood.
- **Audit planning and reporting** – see point 2 above. Detailed reports are submitted following each inspection.

16.1.2 REVIEW OF THE EFFECTIVENESS OF THE SYSTEM OF INTERNAL CONTROL

Under the Regulations currently in force the Council is required to carry out, at least annually, a review of the effectiveness of the Council's system of internal control and publicly report its findings. The Town Council's Annual Governance statement on the Annual Return has previously included the following statement:

We have maintained an adequate system of internal control including measures designed to prevent and detect fraud and corruption and reviewed its effectiveness.

This system of internal control is designed to manage risk to a reasonable level rather than to eliminate all risk of failure. The system of internal control is based on an on-going process designed to identify and prioritise the risks to the achievement of the Town Council's policies, aims and objectives, to evaluate the likelihood of those risks being realised and the impact should they be realised, and to manage them efficiently, effectively and economically.

The system of internal controls currently in place includes:

Appointment of a Clerk and Responsible Financial Officer
Code of Conduct

Standing Orders and Financial Regulations

Review of internal audit arrangements and reporting

Accounting systems and records

Internal procedures

Regular reporting to the Council and its committees on financial matters (including a councillor appointed annually to carry out informal financial checks)

Budget setting, monitoring, control and reporting

Risk management

Asset management

Insurance

Review of financial limits in financial regulations and elsewhere

Setting Council objectives and priorities

External audit

The Committee is asked to

- i. review the effectiveness of the system of internal control as detailed above; and then**
- ii. to agree the following statement of internal control.**

STATEMENT OF INTERNAL CONTROL

1 Scope and Responsibility

LTC is responsible for ensuring that its business is conducted in accordance with the law and proper standards, and that public money is safeguarded and properly accounted for, and used economically, efficiently and effectively.

In discharging this overall responsibility, the Council is also responsible for ensuring that there is a sound system of internal control which facilitates the effective exercise of the Council's functions, and which includes arrangements for the management of risk.

2 Purpose of the System of Internal Control

The system of internal control is designed to manage risk at a reasonable level rather than to eliminate all risks of failure to achieve policies, aims and objectives; it can therefore only provide reasonable and not absolute assurance of effectiveness. The system of internal control is based on an on-going process designed to identify and prioritise the risks to the achievement of the Council's policies, aims and objectives, to

evaluate the likelihood of those risks being realised and the impact should they be realised, and to manage them effectively and economically.

The system of internal control has been in place at the Council for the year ended 31 March 2024.

3 The Internal Control Environment

The system of internal control is based on a framework consisting of the Code of Conduct, internal regulations (including but not limited to financial regulations) and administrative procedures. It is further enhanced by the regular provision of management and financial information as appropriate to fit the Council's policy of delegation and responsibility. The system is constantly monitored by members as well as officers within the Council. In particular, the system incorporates:

- comprehensive budgeting systems, project evaluation and management appraisal
- regular reports of service delivery and project performance
- preparation and dissemination of regular financial reports measuring actual expenditure against forecasts for both revenue and capital projects
- regular review of such reports by officers, and by members in committee and full Council.

4 Review of Effectiveness

The authority has responsibility for conducting, at least annually, a review of the effectiveness of the system of internal control. The review of the effectiveness of the system of internal control is informed by the work of:

- the Council and its committees, especially the Resources and General Services Committee
- the Town Clerk/Responsible Financial Officer and other staff
- the internal auditor
- the external auditor
- any other review agencies and inspectorates in their reports.

When agreed, the Statement of Internal Control will be incorporated into the end of year accounts.

Agenda item 16.2
Risk Assessment and Management

The Council is asked to carry out the annual review of its Risk Assessment and Management document.

Members are reminded that the Council generally and members individually are responsible for risk management because risks threaten the achievement of policy objectives.

The Council's Risk Assessment and Management document was last reviewed in April 2023. The advice given in the Practitioners' Guide is that as a minimum, at least once each year members must:

- take steps to identify and update their record of key risks facing the Council;
- evaluate the potential consequences to the Council if an event identified as a risk takes place;
- decide upon appropriate measures to avoid, reduce or control the risk or its consequences; and
- record any conclusions or decisions reached.

The control measures already in place are detailed in the document provided on the following pages and the Council's Financial Regulations. Having identified the risk, the three main risk management tools the Council should consider are whether to:

- (i) insure;
- (ii) delegate; and/or
- (iii) self-manage.