Bishop's Stortford
Town Council
The Old Monastery, Windhill
Bishop's Stortford, Herts, CM23 2ND

FINANCE AND POLICY COMMITTEE

NOTICE IS HEREBY GIVEN that a Finance and Policy Committee Meeting of the Town Council will be held at The Council Chambers, Windhill, Bishop's Stortford, Herts, CM23 2ND on:

MONDAY 21st SEPTEMBER 2026 at 7.30pm

For the purpose of transacting the business set out in the Agenda below and you are hereby summoned to attend.

Huw Jones
Chief Executive Officer
15th September 2026

This meeting is open to the Press and Public (Items 1 to 11).

MEMBERS

Cllr Miriam Swainston (Chair)
Cllr Calvin Horner (Vice Chair)
Cllr Sarah Copley
Cllr Martin Adams
Cllr John Wyllie
Cllr David Jacobs
Cllr Alex Chapman

Equality Act 2010
The public sector equality duty places an obligation on a wide range of public bodies (including Town and Parish Councils)

In the exercise of their functions to have due regard to the need to:

- Eliminate unlawful discrimination, harassment and victimisation and other conduct prohibited by the Act
- Advance equality of opportunity between people who share a protected characteristic and those who do not
- Foster good relations between people who share a protected characteristic and those who do not

The protected characteristics are:

- Age
- Religion or Belief
- Sex
- Marriage and Civil Partnership
- Pregnancy and Maternity
- Race
- Disability
- Gender reassignment
- Sexual orientation

Recording of Council Meetings

The Local Audit and Accountability Act 2014 allows both the public and press to take photographs, film and audio record the proceedings and report on all public meetings (including on social media).

This permission does not extend to private meetings or parts of meetings which are not open to the public.

A G E N D A

1. APOLOGIES FOR ABSENCE

At the time of Agenda despatch, Apologies have been received from Cllr Martin Adams (Family) (Cllr Murray White substituting) and Cllr Calvin Horner (Travel) (Cllr Richard Bower substituting).

2. DECLARATIONS OF INTEREST

To receive Members' Declarations of *disclosable pecuniary interests* (as defined by the Relevant Authorities (Disclosable Pecuniary Interests) Regulations 2012) where these disclosable pecuniary interests:

a. have not already been entered into the register and
b. relate to a matter to be considered

To NOTE that interests so declared must be formally notified to The Chief Executive Officer of Bishop's Stortford Town Council and the monitoring officer at East Hertfordshire District Council within 28 days.

To receive Members' Declarations of *other registrable interests* (as defined by the Members' Code of Conduct adopted on 11th May 2026 where these relate to a matter to be considered.

3. PUBLIC PARTICIPATION

To receive representation from members of the public concerning items included on the Agenda.

4. MINUTES OF THE MEETING HELD ON MONDAY 27th JULY 2026 - *APPENDIX 1 (Pages 9-14)*

To receive the Minutes of the Meeting held on Monday 27th July 2026.

5. ROYAL BRITISH LEGION BUDGETED GRANT – *APPENDIX 2 (Pages 15-18)*

Members are asked to consider the attached request from the British Legion (Bishop's Stortford Branch) for an annual Budgeted Grant of £6,000 towards the costs of an Armed Forces Day Event (supporting documentation attached):

"Further to the meeting of the Armed Forces Day Working Group yesterday, I attach our application for an annual Town Council budgeted grant for us to stage Armed Forces Day in 2027, and we would like to organise the event in future years - our treasurer has suggested a budget increase of between 5% and 7.5% year on year from next year although it is very difficult to predict what the economic landscape will look like in 2028. His latest report is attached as requested.

Can I again say how very much we appreciated all the help and support we received from Jim and his staff at TIC and the work of the Town Council team who delivered all the equipment on time, helped us out on the day and ensured that the War Memorial and gardens looked magnificent.

If you would like any further information about our proposal for AFD next year, please do not hesitate to let me know and in the meantime, thank you for your attention and if you can let us know when our application will be heard, we will be grateful, as we would like to come along."

6. FINANCIAL REGULATIONS – *APPENDIX 3 (Pages 19-30)*

To receive and formulate a recommendation to Full Council at its meeting on 5th October 2026 proposed new financial regulations based on NALC's Model Regulations.

7. INTERNAL AUDITOR LETTER OF ENGAGEMENT – *APPENDIX 4 (Pages 31-32)*

To:

(i) receive the Internal Audit Engagement Letter for 2026/27 (IAC Audit & Consultancy Ltd); and

(ii) note the Council's satisfaction with the independence and competence of the internal auditor.

8. BANKING CONTRACT

The Committee is asked to note that it is intended to continue the Town Council's banking relationship with Lloyds Bank and to enter into a four year agreement (this will provide more favourable terms for the Town Council).

9. BUDGET HEADLINE ITEMS 2027/28 - *APPENDIX 5 (Pages 33-34)*

The Committee is asked to consider any new headline Budget Items for 2027/28 to be factored into the initial draft budget for the forthcoming year.

For ease of reference, a copy of the Capital Receipts allocations sheet is attached.

Initial draft proposals are listed below:

NEW ITEMS	Origin	PROPOSED BUDGET
BS Community Transport CIO	FP 27/07/26	£8,000 To support operational costs (to commence in 2026/27 year)
Armed Forces Day (Ongoing Budgeted Grant to Royal British Legion)	FP 21/09/26	£6,000 To cover the event at Castle Park on an annal basis

BMX Track Grand Opening Event	EPA 07/09/26	£10,000 To cover event costs and artiste fees
Electric Charging Points Staff Car Park / possibly visitor parking at Old Monastery	CEO	£7,000 to cover initial works (with aim of being self financing/profitable)

10. EQUALITY AND DIVERSITY SUB-COMMITTEE

It is noted that the next meeting of the Sub-Committee is scheduled to take place on 6th October 2026. To receive any update report in the meantime from the Sub-Committee Chair, Cllr Sarah Copley.

11. EXCLUSION OF PRESS AND PUBLIC

To RESOLVE that, under Section 1 of the Public Bodies (Admissions to Meetings) Act 1960, the Press and Public be excluded for the remainder of the meeting and that reporting on the remainder of the meeting likewise be prohibited in view of the confidential nature of the business about to be transacted relating to negotiations for Assets for Acquisition prior to contractual agreement and Staffing Matters.

12. ASSET ACQUISITIONS – APPENDIX 6 *(Separate Cover)*

Members are asked to consider the attached confidential report (Attached for Councillor consideration only – Pink Papers).

13. LOCAL GOVERNMENT PENSION SCHEME REPORT – *APPENDIX 7 (Separate Cover)*

Members are asked to consider the attached confidential report (Attached for Councillor consideration only – Pink Papers).

14. ITEMS FOR FUTURE AGENDA

To note and receive items for future agenda:

- IT improvements and Security Arrangements at Meetings
- Fire Evacuation Drill (Evening Meetings)
- SMA Sale and Leaseback (also scheduled to be considered by Full Council on 5th October 2026)
- Fees and Charges 2027/28
- Northgate End Youth Worker Update Report
- Birchanger Woodland Trust Update Report
- Capital Grants Progress on Disposal Report
- Council Grievance/Disciplinary Policies and Staff Hand Book Review (current legislation and best practice)

15. CLOSURE OF MEETING

To close meeting and note date of next meeting is Monday 9th November 2026.

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MINUTES OF THE MEETING OF THE FINANCE AND POLICY COMMITTEE HELD ON MONDAY 27th JULY 2026 AT 7.30PM

*	Cllr Miriam Swainston (Chair)	*	Cllr David Jacobs
*	Cllr Alex Chapman	*	Cllr Martin Adams
*	Cllr Sarah Copley	*	Cllr John Wyllie
*	Cllr Calvin Horner (Vice Chair)		

* denotes present

In attendance:
One Member of the Press
Terrie Archer (Royal British Legion – Bishop's Stortford Branch)
Huw Jones (Chief Executive Officer)
Mark Westwood (Chief Finance Officer)

FP79. RECORDING OF MEETING

No Council Members or Members of the Public indicated an intention to record the meeting.

FP80. APOLOGIES FOR ABSENCE

There were none.

FP81. DECLARATIONS OF INTEREST

There were none.

FP82. PUBLIC PARTICIPATION

No Member of the Public sought to address the Committee at this meeting.

Minutes Approved
Chairman:
Date:

FP83. MINUTES OF THE MEETING HELD ON TUESDAY 5TH MAY 2026

It was RESOLVED that:

the Minutes of the Meeting held on Tuesday 5th May 2026 be approved and duly signed by the Chair with the amendment.

FP84. FINANCIAL ACCOUNTS 2026/27

It was noted that since the previous meeting, the aged debtors list had improved following an exercise to chase outstanding debts and that the overall position was highly favourable in comparison to other Authorities.

It was RESOLVED that:

(i) the financial accounts to end of Quarter 1 2026/27 be received; and

(ii) the appointment of the Internal Auditor for the Town Council, previously agreed from 2025/26 (three year term), be reaffirmed having regard to the factors of "*independence and competence*."

FP85. GRANT TO BISHOP'S STORTFORD COMMUNITY TRANSPORT CIO

It was RESOLVED that:

a recommendation be made to Full Council at its meeting on 5th October 2026 to approve the Community Transport CIO (BSCT CIO) annual budgeted grant of £8,000 to supplement the running costs of the service to commence in the current Council year 2026/27.

Minutes Approved
Chairman:
Date:

FP86. CORPORATE IDENTITY

Members recognised the importance of ensuring that the Council's logo was used appropriately and in accordance with the Members' Code of Conduct and Standing Orders. The distinction between the role of individual Members and that of the Council as a corporate body was noted, with reference to guidance contained within the *Good Councillor's Guide* issued to Members at the commencement of their term of office.

Members also received an update on the Council's Logo and Tagline Design Competition, which sought to engage young people in developing a refreshed civic identity for the Town Council. It was noted that over 70 entries had been received to date from pupils and students attending schools and colleges within Bishop's Stortford.

The competition would close on 30th September 2026, following which entries would be assessed against the published criteria, with the winning design to be professionally refined for use across the Council's print and digital materials.

It was RESOLVED that:

(i) a recommendation be made to Full Council at its meeting on 5th October 2026 to approve the Corporate Identity Policy (Headed Paper, Logo and Branding) for Bishop's Stortford Town Council; and

(ii) the update report on Town Council logo competition concluding on 30th September 2026 be received.

FP87. EQUALITY AND DIVERSITY SUB-COMMITTEE

The Committee received a verbal update from Cllr Sarah Copley, Chair of the Equality and Diversity Sub-Committee, on its activities and developing work programme.

Minutes Approved
Chairman:
Date:

Members noted the value of the Sub-Committee in considering how the Council could engage with and better understand the needs of different groups within the community, helping to ensure that accessibility, inclusion and equality were appropriately reflected in Council activities and decision-making.

Current areas of work included investigating the potential establishment of a Youth Council and progressing an Age Friendly Town Audit. The position regarding co-opted representation was also noted, with one vacancy remaining. Work continued in parallel with this on the desire to obtain Dementia Friendly accreditation for Bishop's Stortford.

A further meeting of the Sub-Committee would be arranged for October 2026 to progress these matters.

FP88. LOCAL GOVERNMENT REORGANISATION (LGR)

The Committee received an update on the proposed Four Authority model for Local Government Reorganisation (LGR) in Hertfordshire and noted that, at this stage, the election timetable for Town and Parish Councils remained unchanged.

It was noted that the LGR proposals had not yet been finalised and remained subject to Central Government review. Members would be kept informed of developments.

In the meantime, the proposed transfer of District Council assets had been paused pending separate discussions with the County Council. It had also been indicated that any review of assets currently held by the District Council would need to be funded by the Town Council.

Minutes Approved
Chairman:
Date:

FP89. EXCLUSION OF PRESS AND PUBLIC

It was RESOLVED that:

under Section 1 of the Public Bodies (Admissions to Meetings) Act 1960, the Press and Public be excluded for the remainder of the meeting and that reporting on the remainder of the meeting likewise be prohibited in view of the confidential nature of the business about to be transacted relating to precontractual negotiations relating to Asset Acquisition.

FP90. ASSET ACQUISITION

Members received a verbal update from the CEO on Asset Acquisitions (pre-contractual negotiations).

The CEO was instructed to progress the potential acquisition of two County Council sites, with the intention that valuations, structural reports and draft Heads of Terms would be available for consideration at the next meeting.

In addition, The CEO provided a further verbal update on the proposed asset transfer (sale and leaseback) of South Mill Arts, following a meeting held earlier that day.

Members were advised that the current aim was to complete the transfer within the next three months. Following further due diligence, and consultation with the Charity Commission's solicitor, it had been determined that a Cy-près Order was required both to regularise the Trust arrangements established in 2002 and to provide the necessary express authority for the proposed transaction. The Charity Commission was progressing the Order.

Once the Order had been made, the Council's solicitors would be asked to confirm that they were satisfied with the arrangements, following which the necessary documentation could be executed. There was presently no indication of any further substantive impediment to completion.

Minutes Approved
Chairman:
Date:

It was noted that the proceeds of approximately £3 million arising from the transaction would be retained for investment in South Mill Arts' infrastructure rather than revenue expenditure. Further details of the proposed investment would be sought and, once the transaction had been concluded, it was anticipated that a joint press release would be prepared setting out both the completion of the transfer and the benefits arising from it.

Members noted the considerable length of time taken to progress the matter, much of which had resulted from the necessary Charity Commission processes. Throughout this period, the Town Council had continued to actively pursue completion of the transfer.

The CEO expressed confidence that, subject to completion of the outstanding legal processes and the speedy attention of the Trustees at South Mill Arts, the matter was now likely to be resolved before the end of the current Council term.

FP91. ITEMS FOR FUTURE AGENDA

To note and receive items for future agenda:

- Financial Regulations Review against National Models
- Update on Sale and Leaseback of SMA
- Local Government Pension Scheme (September 2026)
- IT improvements and Security Arrangements at Meetings
- Fire Evacuation Drill (Evening Meetings)

FP92. CLOSURE OF MEETING

The meeting closed at 8.53pm.

It was noted that the next meeting was scheduled to take place on Monday 21st September 2026 at 7.30pm.

Minutes Approved
Chairman:
Date:

ROYAL BRITISH LEGION BISHOP'S STORTFORD BRANCH
APPLICATION FOR AN ANNUAL BUDGETED GRANT
FROM BISHOP'S STORTFORD TOWN COUNCIL FOR ARMED FORCES DAY 2027 AND BEYOND.

Event: Armed Forces Day
Date: Saturday 26th June 2027
Location: Bishop's Stortford, Hertfordshire

Summary
Armed Forces Day honours the dedication, sacrifice, and service of the men and women of the British Armed Forces—past, present, and future. It brings together military representatives, veterans, cadet forces, and emergency services and residents for a day of pride, remembrance, and unity.
RBL Bishop's Stortford Branch organised this year's static AFD event for the first time and we hope to improve and enhance the event in the years to come based on that experience.

Event Objectives
· Celebrate and thank the Armed Forces community for their service
· Increase awareness of the roles and contributions of the Armed Forces
· Strengthen ties between the military and the local civilian population
· Provide a family-friendly event promoting community spirit and patriotism
· Encourage youth participation through cadet groups and educational activities

Event Ideas
· Flag-raising ceremony at the start of Armed Forces week
· Service of Thanksgiving at the War Memorial
· Military vehicles and equipment display
· Cadet drill demonstrations and first aid displays
· Live music (military bands, local performers)
· Food - featuring local and military-themed vendors
· Recruitment and information stands from all service branches

Location & Infrastructure
Castle Park and War Memorial gardens in Bishop's Stortford

Logistics
· Parking
· Security and crowd control
· Medical/first aid support
· On-site waste collection

BUDGET ESTIMATES	
PA and Sound System	£1200
Bunting and Flags	£ 300
Advertising and Print	£ 600
First Aid	£ 300
Stewards	£ 720

Military Displays	£1800
Food outlets – Burger Van	£ 500
Catering – Markwell Studio	£ 200
Contingency	£ 380
Total	**£6000**

Partners & Stakeholders
Royal British Legion
Bishop's Stortford Town Council (Markwell Studio and War Memorial)
East Herts District Council (Castle Park & Safety Advisory Group (SAG))
British Army, Royal Navy, Royal Air Force and Police Cadet Units.
Emergency services (police, fire, ambulance)
Local businesses and sponsors

Feedback from this year's event:

RMP Veteran Ernie Large: *Thanks for organising one of the best veteran days I have spent for some time and getting me there and back home. There was so much to see on the displays. I met a chap from RBL Buntingford who was from The RMP and would like to be in contact at some point for a chat about The RMP Association.in Hertfordshire. So, a thank you to you two again for a brilliant day, the heat did not bother me, I am glad it went ahead.*

Mr. Josh Dean MP. *Delivered a letter of thanks from the Defence Secretary and addressed the House of Commons about the event in Bishop's Stortford on 7th July.*

Cllr Sandy Walkington Chairman Hertfordshire County Council: "As a member of RBL I was really sorry I had a clashing event; I am grateful to Jeff Jones for standing in for me. I hope to join you next year if I am asked"

Indie Photographer: *"I arrived expecting to photograph Armed Forces Day, I left thinking about the Town. Three old friends sitting together in the shade….a young boy proudly showing veterans the project he'd made about Dunkirk……volunteers checking everyone was alright……families finding a place to sit together.*

The ceremony mattered of course, but so did everything around it. Sometimes we talk about community as though it's an idea, it isn't. It's people turning up for one another, giving their time, sharing their stories, listening and saying thank you. Looking back that's what I remember most, not just an event in Castle Park but a Town taking a few hours out of its day to recognise those who serve and to spend time together…to me that's what community looks like"

THE ROYAL BRITISH LEGION BISHOP'S STORTFORD BRANCH
TREASURER'S REPORT 25TH JUNE 2026

	Current Account Lloyds £	Deposit Account BFI £	Total Branch Funds £
BALANCES AS AT 9TH JUNE 2026	2,966.62	9,897.61	12,864.23
TRANSACTIONS SINCE LAST MEETING			
Income			
Outgoings			
Optic Security - Stewards for AFD	-360.00		
Secretary's Expenses	-49.50		
AFD - Catering	-100.00		
Atelier 82 - Core Boards	-144.00		
Atelier 82 - Orders of Service	-80.00		
Cloud 9 Hire - PA for AFD	-1,063.50		
First Aid Kit for AFD	-42.90		
Audit fees	-10.00		
Poppy Appeal - 2025 tea party underspent	-3.31		
Poppy Appeal - 2026 tea party underspent	-15.21		
Poppy Appeal - Op Telic wreath	-30.50		
	-1,898.92	0.00	-1,898.92
BALANCES AS AT 25TH JUNE 2026	1,067.70	9,897.61	10,965.31

CASH BOOK SUMMARY FOR THE YEAR TO DATE

	Current A/C £	BFI £	Total £
Balances as at 1st July 2025	1,572.90	10,633.79	12,206.69
Add Income (post 30th June)	9,514.84	263.82	
Less: Outgoings (post 30th June)	-10,020.04	-1,000.00	
Balances as at 25th June 2026	1,067.70	9,897.61	10,965.31

BANK RECONCILIATIONS

	£	£
Latest statement balances		
23.04.26		9,897.61
25.06.26	1,067.70	
Cash Book balances (as above)	1,067.70	9,897.61

Prepared by J Sellar
Branch Treasurer

Reviewed by D Hudson
Branch Chairman

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C. FINANCIAL REGULATIONS

0. Revision History

Version	Issued	Notes
2026.1	21 September 2026	

1. General

1.1 These Financial Regulations govern the financial management of the council and may only be amended or varied by resolution of the council. They are one of the council's governing documents and shall be observed in conjunction with the council's Standing Orders.

1.2 Councillors are expected to follow these regulations and not to entice employees to breach them. Failure to follow these regulations brings the office of councillor into disrepute.

1.3 Wilful breach of these regulations by an employee may result in disciplinary proceedings.

1.4 In these Financial Regulations:

- 'Accounts and Audit Regulations' means the regulations issued under Sections 32, 43(2) and 46 of the Local Audit and Accountability Act 2014, or any superseding legislation, and then in force, unless otherwise specified.
- "Approve" refers to an online action, allowing an electronic transaction to take place.
- "Authorise" refers to a decision by the council, or a committee or an officer, to allow something to happen.
- 'Proper practices' means those set out in The Practitioners' Guide
- Practitioners' Guide refers to the guide issued by Smaller Authority Proper Practices Panel and published by NALC in England or Governance and Accountability for Local Councils in Wales – A Practitioners Guide jointly published by One Voice Wales and the Society of Local Council Clerks in Wales.
- 'Must' and **bold text** refer to a statutory obligation the council cannot change.
- 'Shall' refers to a non-statutory instruction by the council to its members and staff.

1.5 The Responsible Financial Officer (RFO) holds a statutory office, appointed by the council. The RFO, under the direction of the CEO;

- acts under the policy direction of the council;
- administers the council's financial affairs in accordance with all Acts, Regulations and proper practices;
- determines on behalf of the council its accounting records and control systems;
- ensures the accounting control systems are observed;
- ensures the accounting records are kept up to date;
- seeks economy, efficiency and effectiveness in the use of council resources; and
- produces financial management information as required by the council.

1.6 **The council must not delegate any decision regarding:**

- **setting the final budget or the precept (council tax requirement);**
- **the outcome of a review of the effectiveness of its internal controls**
- **approving accounting statements;**
- **approving an annual governance statement;**
- **borrowing;**
- **declaring eligibility for the General Power of Competence; and**
- **addressing recommendations from the internal or external auditors.**

1.7 In addition, the council shall:

- determine and regularly review the bank mandate for all council bank accounts.

2. Risk Management and Internal Control

2.1 **The council must ensure that it has a sound system of internal control, which delivers effective financial, operational and risk management.**

2.2 The CEO with the RFO shall prepare, for approval by the council, a financial risk management policy. This policy and consequential risk management arrangements shall be reviewed by the council at least annually.

2.3 **At least once a year, the council must review the effectiveness of its system of internal control, before approving the Annual Governance Statement.**

2.4 **The accounting control systems determined by the RFO must include measures to:**

- **ensure that risk is appropriately managed;**
- **ensure the prompt, accurate recording of financial transactions;**
- **prevent and detect inaccuracy or fraud; and**
- **allow the reconstitution of any lost records;**
- **identify the duties of officers dealing with transactions; and**
- **ensure division of responsibilities.**

2.5 At least once in each quarter, and at each financial year end, two members shall verify bank reconciliations (for all accounts) produced by the RFO. The members shall sign and date the reconciliations and the original bank statements (or similar document) as evidence of this.

2.6 Regular back-up copies shall be made of the records on any council computer and stored either online or in a separate location from the computer. The council shall put measures in place to ensure that the ability to access any council computer is not lost if an employee leaves or is incapacitated for any reason.

3. Accounts and Audit

3.1 All accounting procedures and financial records of the council shall be determined by the RFO, under the direction of the CEO, in accordance with the Accounts and Audit Regulations.

3.2 **The accounting records determined by the RFO must be sufficient to explain the council's transactions and to disclose its financial position with reasonably accuracy at any time. In particular, they must contain:**

- **day-to-day entries of all sums of money received and expended by the council and the matters to which they relate;**
- **a record of the assets and liabilities of the council.**

3.3 The accounting records shall be designed to facilitate the efficient preparation of the accounting statements in the Annual Governance and Accountability Return.

3.4 The RFO shall complete and certify the annual Accounting Statements of the council contained in the Annual Governance and Accountability Return in accordance with proper practices, as soon as practicable after the end of the financial year. Having certified the Accounting Statements, the RFO shall submit them (with any related documents) to the council, within the timescales required by the Accounts and Audit Regulations.

3.5 **The council must ensure that there is an adequate and effective system of internal audit of its accounting records and internal control system in accordance with proper practices.**

3.6 **Any officer or member of the council must make available such documents and records as the internal or external auditor consider necessary for the purpose of the audit** and

shall, as directed by the council, supply the RFO, internal auditor, or external auditor with such information and explanation as the council considers necessary.

3.7 The internal auditor shall be appointed by the council and shall carry out their work to evaluate the effectiveness of the council's risk management, control and governance processes in accordance with proper practices specified in the Practitioners' Guide.

3.8 The council shall ensure that the internal auditor:

- is competent and independent of the financial operations of the council;
- reports to council in writing, or in person, on a regular basis with a minimum of one written report during each financial year;
- can demonstrate competence, objectivity and independence, free from any actual or perceived conflicts of interest, including those arising from family relationships; and
- has no involvement in the management or control of the council.

3.9 Internal or external auditors may not under any circumstances:

- perform any operational duties for the council;
- initiate or approve accounting transactions;
- provide financial, legal or other advice including in relation to any future transactions; or
- direct the activities of any council employee, except to the extent that such employees have been appropriately assigned to assist the internal auditor.

3.10 For the avoidance of doubt, in relation to internal audit the terms 'independent' and 'independence' shall have the same meaning as described in The Practitioners Guide.

3.11 The RFO shall make arrangements for the exercise of electors' rights in relation to the accounts, including the opportunity to inspect the accounts, books, and vouchers and display or publish any notices and documents required by the Local Audit and Accountability Act 2014, or any superseding legislation, and the Accounts and Audit Regulations.

3.12 The RFO shall, without undue delay, bring to the attention of all councillors any correspondence or report from internal or external auditors.

4. Budget and Precept

4.1 **Before setting a precept, the council must calculate its council tax requirement for each financial year by preparing and approving a budget, in accordance with The Local Government Finance Act 1992 or succeeding legislation.**

4.2 Budgets for salaries and wages, including employer contributions shall be reviewed by the council at least annually no later than February for the following financial year and the final version shall be evidenced by a hard copy schedule signed by the CEO and the Chair of the Council.

4.3 No later than February each year, the RFO, under the direction of the CEO, shall prepare a draft budget with detailed estimates of all income and expenditure for the following financial year, taking account of the lifespan of assets and cost implications of repair or replacement.

4.4 Unspent budgets for completed projects shall not be carried forward to a subsequent year. Unspent funds for partially completed projects may only be carried forward by placing them in an earmarked reserve with the formal approval of the full council.

4.5 The draft budget, including any recommendations for the use or accumulation of reserves, shall be considered by the finance committee and a recommendation made to the council.

4.6 Having considered the proposed budget, the council shall determine its council tax requirement by setting a budget. The council shall set a precept for this amount no later than the end of February for the ensuing financial year.

4.7 **Any member with council tax unpaid for more than two months is prohibited from voting on the budget or precept by Section 106 of the Local Government Finance Act 1992 and must disclose at the start of the meeting that Section 106 applies to them.**

4.8 The RFO shall **issue the precept to the billing authority no later than the end of February**.

4.9 The agreed budget provides a basis for monitoring progress during the year by comparing actual spending and income against what was planned.

4.10 Any addition to, or withdrawal from, any earmarked reserve shall be agreed by the council.

5. Procurement

5.1 **Members and officers are responsible for obtaining value for money at all times.** Any officer procuring goods, services or works should ensure, as far as practicable, that the best available terms are obtained, usually by obtaining prices from several suppliers.

5.2 The CEO, or delegated officer, should verify the lawful nature of any proposed purchase before it is made.

5.3 Every contract shall comply with the council's Standing Orders and these Financial Regulations and no exceptions shall be made, except in an emergency.

5.4 **For a contract for the supply of goods, services or works where the estimated value will exceed the thresholds set by Parliament, the full requirements of The Procurement Act 2023 and The Procurement Regulations 2024 or any superseding legislation ("the Legislation"), must be followed in respect of the tendering, award and notification of that contract.**

5.5 Where the estimated value is below the Government threshold, the council shall (with the exception of items listed in paragraph 5.11) obtain prices as follows:

5.6 For contracts estimated to exceed £30,000 including VAT, the CEO shall advertise an open invitation for tenders in compliance with any relevant provisions of the Legislation. Tenders shall be invited in accordance with Appendix 1.

5.7 **For contracts estimated to be over £30,000 including VAT, the council must comply with any requirements of the Legislation regarding the publication of invitations and notices.**

5.8 For contracts greater than £5,000 excluding VAT the CEO shall seek at least 3 quotes.

5.9 For smaller purchases, the CEO or delegated member of staff, as per 5.14, shall seek to achieve value for money.

5.10 **Contracts must not be split to avoid compliance with these rules.**

5.11 The requirement to obtain competitive prices in these regulations need not apply to contracts that relate to items (i) to (iv) below:

i. specialist services, such as legal professionals acting in disputes;

ii. repairs to, or parts for, existing machinery or equipment;

iii. works, goods or services that constitute an extension of an existing contract;

iv. goods or services that are only available from one supplier or are sold at a fixed price.

5.12 When applications are made to waive this financial regulation to enable a price to be negotiated without competition, the reason should be set out in a recommendation to the council. Avoidance of competition is not a valid reason.

5.13 The council shall not be obliged to accept the lowest or any tender, quote or estimate.

5.14 Where possible, and in accordance with relevant regulations, a preference will be given to obtaining goods and services from suppliers physically located within the parish boundary. However, this is subject to the requirement to obtain best value.

5.15 Individual purchases within an agreed budget for that type of expenditure may be authorised by:

- the CEO.
- a member of staff with delegated authority, for any items below £200 excluding VAT.

5.16 No individual member, or informal group of members may issue an official order or make any contract on behalf of the council.

5.17 No expenditure may be authorised that will exceed the budget for that type of expenditure ('TOE Roll Up')by more than 5% other than by resolution of the council except in an emergency.

5.18 In cases of serious risk to the delivery of council services or to public safety on council premises, the CEO may authorise expenditure of up to £10,000 excluding VAT on repair, replacement or other work that in their judgement is necessary, whether or not there is any budget for such expenditure. The CEO shall report such action to the Chair as soon as possible and to the council as soon as practicable thereafter.

5.19 No expenditure shall be authorised, no contract entered into or tender accepted in relation to any major project, unless the CEO or delegated member of staff is satisfied that the necessary funds are available and that where a loan is required, Government borrowing approval has been obtained first.

5.20 An official order or letter shall be issued for all work, goods and services . Copies of orders shall be retained, along with evidence of receipt of goods (if available).

6. Banking and Payments

6.1 The council's banking arrangements, including the bank mandate, shall be made by the RFO, under the direction of the CEO, and authorised by the council; banking arrangements shall not be delegated to a committee. The arrangements shall be reviewed shortly after each ordinary election to the council for security and efficiency.

6.2 The council must have safe and efficient arrangements for making payments, to safeguard against the possibility of fraud or error. Wherever possible, more than one person should be involved in any payment, for example by dual online authorisation or dual cheque signing. Even where a purchase has been authorised, the payment must also be authorised and only authorised payments shall be approved or signed to allow the funds to leave the council's bank. Where funds can be transferred only to bank accounts controlled by the council (whether within the same financial institution or between institutions where transfers can be made only to a nominated account) officers may authorise such transfers.

6.3 All invoices for payment should be examined for arithmetical accuracy, analysed to the appropriate expenditure heading and verified to confirm that the work, goods or services were received, checked and represent expenditure previously authorised by the council before being certified by the CEO.

6.4 Personal payments (including salaries, wages, expenses and any payment made in relation to the termination of employment) may be summarised to avoid disclosing any personal information.

6.5 All payments shall be made by online banking/cheque/charge card/direct debit/petty cash, in accordance with a resolution of the council or a delegated decision by an officer, unless the council resolves to use a different payment method.

6.6 The CEO or a delegated member of staff shall have delegated authority to authorise payments only in the following circumstances:

i. any payments of up to £1,000 including VAT, by charge card may be authorised by the CEO;

ii. any payments of up to £500 including VAT, by charge card may be authorised by a delegated member of staff.

7. Electronic Payments

7.1 Where internet banking arrangements are made with any bank, the RFO, CEO and Leader of the Council shall be appointed as the Service Administrators. The bank mandate shall identify councillors who will be authorised to approve transactions on those accounts and a minimum of two councillors and the CEO (or the Mayor in the event the CEO is unavailable) will be involved in any online approval process.

7.2 No employee or councillor shall disclose any PIN or password, relevant to the council or its banking, to anyone not authorised in writing by the council or a duly delegated committee.

7.3 The Service Administrators, or a delegated council employee, shall set up all items due for payment online. A list of payments for approval, together with copies of the relevant invoices, shall be sent by email to three authorised signatories.

7.4 All authorised signatories who are sent the payment details shall check the payment details against the invoices before approving each payment using the online banking system.

7.5 A full list of all purchase ledger invoices made since the previous Finance Committee meeting shall be provided to the next Finance Committee meeting.

7.6 Regular payments (such as gas, electricity, telephone, broadband, water, National Non-Domestic Rates, refuse collection, pension contributions and HMRC payments) may be made by variable direct debit, provided that the instructions are signed/approved online in accordance with the bank mandate. A list of such payments will be reported to council on an annual basis.

7.7 Payment may be made by BACS, CHAPS or Faster Payment provided that each payment is approved online in accordance with the bank mandate.

7.8 If thought appropriate by the council, regular payments of fixed sums may be made by banker's standing order, provided that the instructions are signed or approved online in accordance with the bank mandate, evidence of this is retained and any payments are reported to council annually.

7.9 Account details for suppliers may only be changed upon written notification by the supplier verified by the officer creating the payment batch. This is a potential area for fraud and the individuals involved should ensure that any change is genuine.

7.10 Members and officers shall ensure that any computer used for the council's financial business has adequate security, with anti-virus, anti-spyware and firewall software installed and regularly updated.

7.11 Remembered password facilities other than secure password stores requiring separate identity verification should not be used on any computer used for council banking.

8. Cheque Payments

8.1 Cheques or orders for payment shall be signed in accordance with the bank mandate.

9. Payment Cards

9.1 Any Charge Card issued for use will be specifically restricted to the CEO or delegated officers and will also be restricted to a single transaction maximum value of £1,000 in the case of the CEO and £500 for any other officer. No individual may hold a card unless their contract of employment includes a clause entitling the council to deduct from salary any debt due to misuse by them of the card, and the individual in question has signed a letter acknowledging this. Each card statement shall be reviewed by the CEO and at least one member of council.

9.2 Personal credit or debit cards of members or staff shall not be used under any circumstances for council purchases.

10. Petty Cash

10.1 The RFO shall maintain a petty cash float of £150 and may provide petty cash to officers for the purpose of defraying operational and other expenses. A portion of the total amount may be

delegated to be held by another officer. Both the RFO and any delegated officer shall maintain the records specified below.

a) Vouchers for payments made from petty cash shall be kept, along with receipts to substantiate every payment.

b) Cash income received must not be paid into the petty cash float but must be separately banked, as provided elsewhere in these regulations.

c) Payments to maintain the petty cash float shall be shown separately on any schedule of payments.

11. Payment of Salaries and Allowances

11.1 **As an employer, the council must make arrangements to comply with the statutory requirements of PAYE legislation.**

11.2 **Councillors allowances (where paid) are also liable to deduction of tax under PAYE rules and must be taxed correctly before payment.**

11.3 Salary rates shall be agreed by the council, or a duly delegated committee.

11.4 Payment of salaries shall be made, after deduction of tax, national insurance, pension contributions and any similar statutory or discretionary deductions, on the dates stipulated in employment contracts.

11.5 Deductions from salary shall be paid to the relevant bodies within the required timescales.

11.6 Each payment batch to employees of net salary and to the appropriate creditor of the statutory and discretionary deductions shall be recorded in a payroll control account or other separate confidential record, with the total of such payments each calendar month shown in the cashbook. Payroll reports will be reviewed by two councillors to ensure that the correct payments have been made.

12. Loans and Investments

12.1 Any application for Government approval to borrow money and subsequent arrangements for a loan must be authorised by the full council and recorded in the minutes. All borrowing shall be in the name of the council, after obtaining any necessary approval.

12.2 Any loan which does not require formal borrowing approval from the Secretary of State(such as loans to be repaid within the financial year) must be authorised by the full council, following a written report on the value for money of the proposed transaction.

12.3 The council has a Treasury Management Policy which covers investments written in accordance with relevant regulations, proper practices and guidance. This shall be reviewed by the council at least every two years.

12.4 All investment of money under the control of the council shall be in the name of the council.

12.5 All investment certificates and other documents relating thereto shall be retained in the custody of the RFO.

13. Income

13.1 The collection of all sums due to the council shall be the responsibility the RFO, under the direction of the CEO.

13.2 The council will review all fees and charges for work done, services provided, or goods sold at least annually, following a report of the CEO. The RFO, under the direction of the CEO, shall be responsible for the collection of all amounts due to the council.

13.3 Any sums found to be irrecoverable and any bad debts shall be reported to the council, or delegated committee, by the RFO and shall be written off in the year. The approval shall be shown in the minutes.

13.4 All sums received on behalf of the council shall be deposited intact with the council's bankers, with such frequency as the RFO considers necessary. The origin of each receipt shall clearly be recorded on the paying-in slip or other record.

13.5 Personal cheques shall not be cashed out of money held on behalf of the council.

13.6 The RFO shall ensure that VAT is correctly recorded in the council's accounting software and that any VAT Return required is submitted from the software by the due date.

13.7 Any income that is the property of a charity shall be paid into a charitable bank account.

14. Payments Under Contracts for Building or Other Construction Works

14.1 Where contracts provide for payment by instalments the RFO shall maintain a record of all such payments, which shall be made within the time specified in the contract based on work completed.

14.2 Any variation of, addition to or omission from a contract must be authorised by the CEO to the contractor in writing, with the council being informed where the final cost is likely to exceed the contract sum by 5% or more, or likely to exceed the budget available.

15. Stores and Equipment

15.1 The manager in charge of each department shall be responsible for the care and custody of stores and equipment in that department.

15.2 Delivery notes shall be obtained where possible in respect of all goods received into store or otherwise delivered and goods must be checked as to order and quality at the time delivery is made.

16. Assets, Properties and Estates

16.1 The CEO shall make arrangements for the safe custody of all title deeds and Land Registry Certificates of properties held by the council.

16.2 The RFO shall ensure that an appropriate and accurate Register of Assets and Investments is kept up to date, with a record of all properties held by the council, their location, extent, plan, reference, purchase details, nature of the interest, tenancies granted, rents payable and purpose for which held, in accordance with Accounts and Audit Regulations.

16.3 The continued existence of tangible assets shown in the Register shall be verified at least annually, possibly in conjunction with a health and safety inspection of assets.

16.4 No interest in land shall be purchased or otherwise acquired, sold, leased or otherwise disposed of without the authority of the council, together with any other consents required by law. In each case a written report shall be provided to council in respect of valuation and surveyed condition of the property (including matters such as planning permissions and covenants) together with a proper business case (including an adequate level of consultation with the electorate where required by law).

16.5 No tangible moveable property shall be sold, leased or otherwise disposed of, without the authority of the council, together with any other consents required by law, except where the estimated value of any one item is below the de-minimis figure at which assets are capitalised (£3,000).

17. Insurance

17.1 The RFO shall keep a record of all insurances effected by the council and the property and risks covered, reviewing these annually before the renewal date in conjunction with the council's review of risk management.

17.2 The CEO shall give prompt notification to the RFO of all new risks, properties or vehicles which require to be insured and of any alterations affecting existing insurances.

17.3 The CEO and RFO shall be notified of any loss, liability, damage or event likely to lead to a claim, and shall report any uninsured loss exceeding £10,000 to the council at the next available meeting.

17.4 All appropriate members and employees of the council shall be included in a suitable form of security or fidelity guarantee insurance which shall cover the maximum risk exposure as determined annually by the council, or duly delegated committee.

18. Charities

Where the council is sole managing trustee of a charitable body the CEO and RFO shall ensure that separate accounts are kept of the funds held on charitable trusts and separate financial reports made in such form as shall be appropriate, in accordance with Charity Law and legislation, or as determined by the Charity Commission. The CEO and RFO shall arrange for any audit or independent examination as may be required by Charity Law or any Governing Document.

19. Suspension and Revision of Financial Regulations

19.1 The council shall review these Financial Regulations every two years. The CEO shall monitor changes in legislation or proper practices and advise the council of any need to amend these Financial Regulations.

19.2 The council may, by resolution duly notified prior to the relevant meeting of council, suspend any part of these Financial Regulations, provided that reasons for the suspension are recorded and that an assessment of the risks arising has been presented to all members. Suspension does not disapply any legislation or permit the council to act unlawfully.

19.3 The council may temporarily amend these Financial Regulations by a duly notified resolution, to cope with periods of absence, local government reorganisation, national restrictions or other exceptional circumstances.

Appendix 1 – Tender Process

1) Any invitation to tender shall state the general nature of the intended contract and the CEO or delegated officer shall obtain the necessary technical assistance to prepare a specification in appropriate cases.

2) The invitation shall in addition state that tenders must be addressed to the council in the ordinary course of post, unless an electronic tendering process is in use.

3) Where an electronic tendering process is used, the council shall use a specific email address.

4) Any invitation to tender issued under this regulation shall be subject to Standing Orders.

5) Where the council, or duly delegated committee, does not accept any tender, quote or estimate, the work is not allocated and the council requires further pricing, no person shall be permitted to submit a later tender, estimate or quote who was present when the original decision-making process was being undertaken.

The Clerk
Bishop's Stortford Town Council
Bishops Stortford Town Council
The Old Monastery
Windhill
Bishop's Stortford
Hertfordshire
CM23 2ND

11 September 2026

Internal Audit Engagement Letter

Roles and responsibilities

IAC Audit & Consultancy Limited will conduct internal audit work for your Council in relation to the 2027 Annual Return, and any subsequent Annual Returns as required by the Council.

The work will specifically support the completion of the Annual Internal Audit Report and assist the Council in fulfilling its obligations under Section 1 of the Annual Return.

In conducting this work, we will comply with the following:

- The Practitioners' Guide (England)
- The Accounts and Audit (England) Regulations 2015 (as amended)
- Any other applicable guidance and best practice prevailing at the time.

Additional internal audit work, beyond the scope of the Annual Return, may be undertaken by separate agreement.

Audit planning

We will plan our audit with due care to ensure that an appropriate level of resources is allocated to conduct the work efficiently, enabling the Council to meet its statutory reporting obligations..

Reporting

We will prepare a summary report on areas of non-compliance where such issues are limited in nature and do not warrant a qualification of the Internal Audit Report.

Where it is necessary to qualify the Internal Audit Report, we will prepare a detailed report outlining the areas of non-compliance that led to the qualification.

We may attend Council meetings, or meet with officers or councillors to discuss our findings and reports. We reserve the right to charge an additional fee for such attendance, which will be agreed in advance.

Independence and competence

We will ensure that all audit staff are appropriately trained and qualified for the work undertaken.

We will maintain independence from the Council's day-to-day operations and will not provide additional consultancy or advisory services that could compromise our audit independence.

Access to information, members and officers

In order to complete our audit, we will require access to relevant information, subject to reasonable notice. If we are unable to obtain necessary information, we will notify the Council in writing of the items outstanding.

The records provided must be sufficiently well-organised to allow for a timely and effective audit.

We will also require access to officers or members, as appropriate, to support the completion of our work.

GDPR and Data Protection

IAC Audit and Consultancy Limited (IAC) is registered with the Information Commissioners Office, registration number ZA221128. All personal data that may be provided to IAC will only be used in accordance with our contractual role as the Council's Internal Auditor and will not be used for any other purpose or disclosed to any third party without the Council's specific prior approval.

Remuneration

Our fee will be in accordance with the quotation previously provided. The fee includes all travel and out-of-pocket expenses. Any additional audit time required will be discussed and invoiced in accordance with our proposal letter.

PLEASE RETAIN A COPY OF THIS LETTER FOR YOUR RECORDS

Yours sincerely,

Kevin Rose ACMA
Director

Capital receipt - current status of plans against priorities RESOLVED by Council

Project	Reasonable: Min £K	Max £K	Year	Prob.	Comment
Capital grants (tranche 2 of major grants)	308	308	2023	100%	Awards decided by Council, funds not yet fully disbursed
Top up funding of Castle Park - committed	25	25	2023	100%	Paid
Purchase of Bishops Park Community Centre	166	166	2023	100%	Paid, includes SDLT and professional fees
Purchase of Havers Community Centre	104	104	2023	100%	Paid, includes SDLT and professional fees
Purchase of St Michael's Mead Community Centre	147	147	2023	100%	Paid, includes SDLT and professional fees
Purchase of land for Allotments	68	68	2023	100%	Net cost after S106 contribution, £143K paid, timing of S106 receipt conditional on planning criteria being met
Top up funding of Castle Park - additional	125	125	2024	100%	Triggered by purchase of St Michael's Mead Community Centre
Capital grants (tranche 3 of major grants)	223	223	2024/25	100%	Awards decided by Council, funds not yet fully disbursed
The Old Monastery Suite 3	280	280	2025	100%	Paid, includes SDLT and professional fees
Purchase of site of South Mill Arts	2,970	2,970	2026/27	100%	Awaiting Charity Commission approval
SDLT on above	118	118	2026/27	100%	Stamp Duty
Professional fees associated with above	10	20	2026/27	100%	Estimate
Purchase of amenity land	100	150	2026/27	75%	Includes Dane O'Coys and other amenity land
Purchase of additional assets	700	725	2026/27	75%	Other devolved Council assets
Walking/Cycle Route North	415	415	2026/27	75%	Part funding for project, remainder from existing Earmarked Reserve and S106
Infrastructure improvements	300	500	2026/27	75%	To cover Old Monastery, Cemetery and any other asset improvements (buildings)
BMX / Multi-Wheel Track	100	100	2026/27	90%	Top-up to existing reserve of £200,000 (£400,000 total project budget)
Community Sports Hub	250	250	2026/27	50%	Discussions with Communty Football ongoing (not committed)
Total	**6,409**	**6,694**			
Capital Receipt	**6,415**	**6,415**			Amount received to date, a further receipt may be forthcoming
Interest earned in 2023/24	281	281			Added to reserve as per 2023/24 budget, not subject to same restrictions as the Capital Receipt so could be released and utilised elsewhere
Total assigned	**6,696**	**6,696**			
Surplus/(Deficit)	**287**	**2**			

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