



LUDLOW TOWN COUNCIL A G E N D A

To: All Members of the Council, Unitary Councillors, Press
Contact: Gina Wilding
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Despatch date: 19th November 2025

POLICY & FINANCE COMMITTEE

You are summoned to attend a meeting of the Policy & Finance Committee to be held in The Guildhall, Mill Street, Ludlow SY8 1AZ on Monday 24th November 2025 at 7.00pm

Gina Wilding

Gina Wilding
Town Clerk

Key Agenda Items:

- **FINANCIAL INFORMATION**
- **Q2 INCOME AND EXPENDITURE**
- **POLICY REVIEW**
- **INTERIM INTERNAL AUDIT**

The public may speak at this meeting.

In Public Open Session (15 minutes) – Members of the public are invited to make representations to the Council on any matters relating to the work of the Council or to raise any issues of concern.



1. Welcome from the Chairman and essential housekeeping information.

Councillors and members of the public are to note that the fire exits can be found to the rear of the building, right outside the Council Chamber and via the front door. The fire assembly point is on the pavement opposite the Guildhall. For fire safety purposes all Councillors should sign the attendance book and members of the public should sign the attendance sheet.

2. Recording of Meetings

Under the Openness of Local Government Regulations 2014, recording and broadcasting including blogging, tweeting and other social media is permitted during public sessions of Council meetings. The act of recording and broadcasting must not interfere with the meeting.

The Council understands that some members of the public may not wish to be recorded and asks that they make this known immediately.

3. Meeting Protocol

Members are reminded of the vital importance of mutual respect, professionalism, and full adherence to the Council's Code of Conduct, Standing Orders, and Meeting Protocol.

Councillors and officers have distinct yet complementary roles and work collaboratively in the best interests of the community. Councillors are responsible for setting policy and representing the public, while officers provide impartial advice and are tasked with implementing Council decisions.

During meetings, Members must conduct themselves with decorum, follow the established rules of debate, and respect the authority of the Chair. Disruptive behaviour, undue pressure on officers, or prioritising personal interests above Council objectives undermines good governance and is contrary to the standards of conduct expected in Council proceedings.

Maintaining integrity, accountability, and a respectful environment is essential to ensuring effective and transparent decision-making.

4. Apologies

To note apologies for absence from members of the Committee.

5. Declarations of Interests

To receive the declarations of interests from Members of the Committee.

- a) Disclosable Pecuniary Interest
- b) Declaration of conflicts of Interest
- c) Declarations of personal interest

Members are reminded that they must not participate in the discussion or voting on any matter in which they have a Disclosable Pecuniary Interest and should leave the room prior to the commencement of the debate.



6. **Public Open Session (15 minutes)** – Members of the public are invited to make representations to the Council on any matters relating to the work of the Council or to raise any issues of concern.
7. **Ludlow's Unitary Councillors Session** – Ludlow's Unitary Councillors are invited to provide a short update on Shropshire Council matters relating to Ludlow.
8. **Minutes**
To approve the minutes of the **POLICY & FINANCE COMMITTEE** meeting held on **Monday 13th October 2025**.
9. **Items to Action**
To note the items to action sheet from the previous Policy and Finance Committee Meeting held on **13th October 2025**.
10. **Internal Auditor**
To meet Internal Auditor Kevin Rose ACMA, Director at IAC Audit & Consultancy Ltd via a video link.

	ITEM	Attachment
11.	FINANCE INFORMATION To receive:-	
a)	Cash Book – Payments and Income for September 2025.	11a
b)	Reconciliation for September 2025.	11b
c)	Barclaycard - Payments, Income & Reconciliation for September 2025.	11c
d)	PayPal – Payments, Income & Reconciliation for September 2025.	10d
e)	Petty Cash – Payments, Income & Reconciliation for September 2025.	10e
f)	Public Sector Deposit Fund – Payments, Income & Reconciliation for September 2025.	11f
g)	Income - Payments, Income & Reconciliation for September 2025.	11g
h)	Electric Vehicle Charging - Payments, Income & Reconciliation for September 2025.	11h
12.	CLOSE CASHBOOKS To consider a report regarding the closure of two defunct cashbooks	12
13.	DEBTORS	
a)	To receive a report of debtors.	13a
b)	To consider an explanation report on debtors.	13b
14.	POLICY REVIEW To review the Corporate Governance Policy and approve the simplified version including notes on review.	14



15.	CLIMATE ACTION TASK AND FINISH GROUP	
a)	To receive the notes of the Climate Action Task and Finish Group meeting held on 13 th November 2025	15a
b)	To consider the recommendations from the Climate Action Task and Finish Group meeting held on the 13 th November 2025	15b
16.	PLANTING TASK AND FINISH GROUP	
a)	To receive the notes of the Planting Task and Finish Group meeting held on 30 th October 2025	16a
b)	To consider the recommendations from the Planting Task and Finish Group meeting held on the 30 th October 2025	16b
17.	BUDGET TASK AND FINISH GROUP	17
	To receive notes of the Budget Task and Finish Group meeting held on the 13 th October 2025.	
18.	Q2 INCOME AND EXPENDITURE	
a)	To note the 2 nd Quarter Income and Expenditure Report	18a
b)	To approve the 2 nd Quarter Exceptions Report	18b
19.	INTERNAL AUDIT	
a)	To recommend approval of the proposed actions in relation to the Internal Auditor's observations to Full Council.	19a
b)	To note the cover letter and summary of tests.	19b
20.	DATA USE AND ACCESS ACT 2025 (DUAA)	No papers
	To note that the Data Use and Access Act 2025 (DUAA) is a new Act of Parliament that updates some laws about digital information matters. It changes data protection laws in order to promote innovation and economic growth and make things easier for organisations, whilst it still protects people and their rights. Most of the changes offer an opportunity to do things differently, rather than needing you to make specific changes to comply with the law. The changes will be phased in between June 2025 and June 2026. For further information go to: https://ico.org.uk/about-the-ico/what-we-do/legislation-we-cover/data-use-and-access-act-2025/the-data-use-and-access-act-2025-what-does-it-mean-for-organisations/	
21.	SAPPP AND CIPFA LAUNCH JOINT CONSULTATION ON PROPER PRACTICES FOR SMALLER AUTHORITIES	21
	To consider a response to the consultation.	
22.	CCLA PUBLIC SECTOR DEPOSIT FUND INVESTMENT	
a)	To note the October 2025 statement.	22a
b)	To note the sell shares funds transfer.	22b



23.	BARCLAYS BANK To note the amount held in the Barclays account at the end of each month since January 2023.	23
24.	CASH FLOW MANAGEMENT To consider a proposal to reduce the amount kept in the Barclays account at any one time from GBP 150,000 to GBP 90,000, with the GBP 60,000 thereby released being placed in the CCLA account earning a higher rate of interest.	24
25.	MAYOR & DEPUTY MAYOR EVENTS To note the events attended by the Mayor and Deputy Mayor in August – October 2025	25
M e m b e r s h i p Members of the Policy & Finance Committee Councillors Owen (Chair); Childs; Cowell; Gill; Ginger; Hepworth; Lyle; Maxwell-Muller; Parry; Scott-Bell; and Taylor (Vice-Chair)		
Notes The next Policy & Finance Committee meeting will be held on the 12th January 2026		

Item 8

Minutes

MINUTES

Minutes of a meeting of the **POLICY AND FINANCE COMMITTEE** held in the Guildhall, Mill Street, Ludlow on **MONDAY 1st SEPTEMBER 2025** at **7.00PM**

PF/102 PRESENT

Chair: Councillor R. Owen

Councillors: Childs; Cowell; Hepworth; Parry; Scott Bell; Taylor.

Officers: Gina Wilding, Town Clerk
Lucy Jones, Senior Finance Assistant

PF/103 ABSENT

Councillors Gill, Ginger, Lyle and Scott-Bell were absent.

PF/104 WELCOME

The Chair, Councillor Owen, welcomed everyone to the Policy and Finance Committee meeting and advised on essential housekeeping information.

PF/105 RECORDING OF MEETINGS

The Chair notified those present that under the Openness of Local Government Regulations 2014, recording and broadcasting is permitted during public session of Council Meetings.

PF/106 MEETING PROTOCOL

The Chair reminded Members of the vital importance of mutual respect, professionalism, and full adherence to the Council's Code of Conduct, Standing Orders, and Meeting Protocol.

Councillors and officers have distinct yet complementary roles and work collaboratively in the best interests of the community. Councillors are responsible for setting policy and representing the public, while officers provide impartial advice and are tasked with implementing Council decisions.

During meetings, Members must conduct themselves with decorum, follow the established rules of debate, and respect the authority of the Chair. Disruptive behaviour, undue pressure on officers, or prioritising personal interests above

Council objectives undermines good governance and is contrary to the standards of conduct expected in Council proceedings.

Maintaining integrity, accountability, and a respectful environment is essential to ensuring effective and transparent decision-making.

PF/107 APOLOGIES

Apologies for absence were received from Councillors Gill, Ginger, Lyle and Maxwell-Muller.

PF/108 DECLARATIONS OF INTEREST

Disclosable Pecuniary Interests

None declared.

Declaration of Conflicts of Interest

None declared.

Declarations of Personal Interest

None declared.

PF/109 PUBLIC OPEN SESSION (15 minutes)

There were two members of the public present at the meeting.

PF/110 UNITARY COUNCILLORS' SESSION

Unitary Councillor Parry, Ludlow South informed the Committee about the Shropshire Council Town and Parish Task Group which was set up to make recommendations on devolution to town and parish Councils. She stated that Church Stretton and Shrewsbury Town Council's have made representations to the group and that Ludlow needs to make its voice heard on what they want for the future of the town.

PF/111 MINUTES

RESOLVED RO/MT (Unanimous)

That the minutes of the Policy and Finance Committee meeting held on the 1st September 2025, be approved as a correct record, and signed by the Chair.

PF/112 ITEMS TO ACTION

Following a request from the Chair, the Town Clerk gave an update on the town CCTV. She stated that the electrical works in the church tower were completed

on the 6th October 2025 and that the full installation and connection of the CCTV phase 2 cameras would be completed on the 22nd and 23rd October 2025, increasing the town CCTV coverage by 13 cameras.

RESOLVED RO/KC (Unanimous)

That a report be presented to Full Council on the history of the CCTV project, to include details of the selection of the contractor, costings, payment schedule, Police contribution and accounting and any other important correspondence.

PF/113 RESOLVED KC/VP (Unanimous)

That a report be presented to Full Council upon receipt of the surveyor's report relating to the sub-station scaffolding next to the churchyard wall.

PF/114 RESOLVED RO/KC (Unanimous)

That the items to action from the Policy and Finance Committee meeting held on the 1st September 2025, be noted.

PF/115 FINANCE INFORMATION

RESOLVED RO/KC (Unanimous)

That the Cash Book Payments, Income and Reconciliation, Barclaycard Payments, Income and Reconciliation, PayPal Payments, Income and Reconciliation, Petty Cash Payments, Income and Reconciliation, Public Sector Deposit Fund Payments, Income and Reconciliation, Income Cash Book Payments, Income and Reconciliation and Electric Vehicle Charging Payments, Income and Reconciliation for August 2025; and Mayor's Charity Account Payments, Income and Reconciliation and Mayor's Charity Account Income Payments, Income and Reconciliation for July and August 2025; be received.

PF/116 AGED DEBTORS

RESOLVED RO/KC (Unanimous)

That the Debtors report be received.

PF/117 AGED DEBTORS

RESOLVED RO/KC (Unanimous)

That the Debtors Explanation Report be received.

PF/118 POLICY REVIEW

a) Recruitment and Selection Policy

RECOMMENDED RO/ISB (6:0:1)

That the Recruitment and Selection Policy, be adopted.

PF/119 b) Sexual Harassment Policy, Risk Assessment and Action Plan

RESOLVED ISB/RO (Unanimous)

That the Sexual Harassment Risk Assessment be referred to Staffing Committee to be reviewed and updated.

PF/120 RECOMMENDED RO/MT (Unanimous)

That the Sexual Harassment Policy and Action Plan, be re-adopted.

PF/121 c) Hedgerow Policy

RECOMMENDED RO/ISB (Unanimous)

That Hedgerow Policy, be adopted.

PF/122 CLIMATE ACTION TASK AND FINISH GROUP

a) Minutes – 2nd October 2025

RESOLVED RP/MT (6:0:1)

That the minutes of the Climate Action Task and Finish Group meeting held on the 2nd October 2025 be received.

PF/123 b) Recommendations – 2nd October 2025

Councillor Cowell advised that the Local Nature Recovery Strategy was to aid Shropshire Council in identifying green spaces in Ludlow and that the Climate Action Task and Finish Group aim to hold a public meeting to consult the public on how green spaces are managed and utilised.

RESOLVED RP/MT (5:0:2)

That the recommendation of the Climate Action Task and Finish Group meeting held on the 2nd October 2025 be approved:-

- **Local Nature Recovery Strategy (LNRS)**

- To note the purpose of the LNRS which is to identify opportunities for creating and restoring habitats beyond existing hotspots, and look at how the county can be best connected for nature.
- To note the three responsibilities for Town & Parish Councils: 1) Consider biodiversity in their area, 2) Agree policies and objectives to support them, 3) Act to deliver the objectives
- To agree that Town Councils are ideally placed to identify local biodiversity opportunities and threats, mobilise community action, and act as a trusted intermediary between residents and higher tier authorities.
- Actions we are building on include Restoring Shropshire Verges Project and CPRE's hedgerow heroes.
- Ludlow Town Council is taking lots of proactive action to improve habitats and hotspots within its area, along with promoting actions that residents / businesses can undertake themselves.
- To respond to the consultation as above and to comment on the interactive mapping with the addition/enlarging of the following sites:
 Castle Gardens
 Wigley Field allotments
 Garden of Rest, St Laurences
 Fishmore View amenity area
 Gallows Bank
 Housman amenity area
 Steventon play area
 Sheet Road verges
 Sidney Road town green
 Eco Park
 Ballard Close amenity area
 Wheeler Road recreation area
 School playing fields
 Weyman Road community orchard site
 Dodmore Lane bridleway
 Hopton Close amenity area
 Parys Road play/amenity area

- **Climate Action Plan (CAP)**

- Changes/actions relating to the CAP.
- **Action 4** - To check whether this has been completed.
- **Action 6** - To check whether this has been completed.
- **Action 10** - To check on progress.
- **Action 11** - To prepare for P & F meeting in November.
- **Action 20** - To chase Shropshire Council for a response
- **Action 23** - To chase Shropshire Council for a response in preparation for the 2026 grass cutting season.
- **Action 26** - To begin plans for a public meeting following the completion of a green Parish map.
- **Action 29** - Feedback regarding the St Johns Gardeners to go to Services.
- **Action 30** - To set a schedule in place with the Communications & Marketing Officer.

- **Action 32** - This is being done as and when appropriate by the Town Clerk & Deputy Town Clerk.
- **Action 34** - Not yet begun but will look at this for next Spring.
- **Action 35** - Will generate a list of warm hubs (by confirming with community groups) and will publicise on our website and social media.

PF/124 BUDGET TASK AND FINISH GROUP

RESOLVED RO/MT (Unanimous)

That the minutes of the Budget Task and Finish Group meetings held on the 7th and 14th August 2025, be received.

PF/125 STAFFING EFFICIENCY REVIEW

RESOLVED RO/MT (6:0:1)

That the draft Term of Reference for the Efficiency Review recommended to Full Council by Staffing Committee, be noted.

PF/126 EXTERNAL AUDIT

RESOLVED RO/MT (Unanimous)

That it be noted that the audit is unconcluded subject to a review and that the information provided by the External Auditor has been published on the Council's website as required.

PF/127 CCLA PUBLIC SECTOR DEPOSIT FUND INVESTMENT

a) Cash Flow Management Procedure

Councillor Parry left the meeting at 8.25pm

RESOLVED RO/KC (Unanimous)

That the Cash Flow Management Procedure be approved.

PF/128 b) Statements

RESOLVED RO/MT (Unanimous)

That the CCLA Public Sector Deposit Fund Investment statements for August and September 2025, be noted.

PF/129 c) Subscription Contract Note

RESOLVED RO/MT (Unanimous)

That the CCLA Public Sector Deposit Fund Investment Subscription Contract Note, be noted.

PF/130 d) Redemption Contract Note

RESOLVED RO/KC (Unanimous)

That the CCLA Public Sector Deposit Fund Investment Redemption Contract Note, be noted.

PF/131 e) Interest Rates

RESOLVED RO/KC (Unanimous)

That the CCLA Public Sector Deposit Fund and Barclays Bank interest rates, be noted.

The meeting closed at 8.32pm

Chair

Date

N.B. Closed Session Minutes will NOT be issued for this meeting.

Item 9

Items to Action

Policy & Finance Committee

Items to Action

Minute No.	Resolution	Action	Status	Date
DA/PF/26/07/21/23 26/07/21	<u>BARCLAYS.NET</u> <u>RECOMMENDED (Unanimous) GG/PA</u> a) To open an additional Barclays Bank current account as part of the council's combined accounts, and to use the account solely for Barclays.net payments. b) To make a virement of £75.00 from the Contingencies Fund (501/4800) budget to the Bank Charges for the new account (101/4058). c) To investigate other payments options with Barclays Bank.	Open bank account Set up new account on Barclays.net Virement Investigate payment options	Done Complete Done	07/05/25 02/08/21 02/08/21
PF/140 28/11/22	<u>POLICY REVIEW</u> a) <u>Proposals from Councillor Adams</u> That:- a) a standard format and style template be adopted for use by all Committees for their policies, protocols and procedure documents. b) an electronic Policy Library be set up from a master list of such documents.	Create template Set up electronic policy library	Done	11/01/23

	c) the library is structured to reflects the Council's Executive and Service functions. d) Standing Orders retain their existing standard format. e) the format and style of up to three policies per meeting of existing documents is reviewed by Policy and Finance within a timing plan to review the format and style all policies. f) Staff produce a draft template for the next meeting.			
PF/59	c) <u>Complaints Policies</u> That the review of the Complaints policies be deferred.	Defer until Communications Tash and Finish completed		
PF/80	<u>AGED DEBTORS</u> To write a letter to Futuresound requesting payment of outstanding invoice, and that in future years the Council invoices and receives full payment and a returnable £500.00 damage deposit in advance of the commencement of the event.	Chase debt Write a letter regarding future years	Email sent Meeting with Futuresound set up	18/09/25
PF/85	<u>ASSERTION 10</u> That:- a) the requirements to comply with	Councillor GDPR Training Review websites for compliance	Ongoing	

	Assertion 10 be noted. b) the following activities and workload to ensure compliance be approved: • To source and deliver GDPR training for Councillors (budget 101/4009). • Review all websites to ensure systems and processes maintain compliance with: ○ The Transparency Code for Smaller Authorities, ○ The Accessibility Regulations (Public Sector Bodies (Websites and Mobile Applications) Accessibility Regulations 2018), ○ Accounts and Audit Regulations, ○ Web Content Accessibility Guidelines 2.2AA and ○ the Public Sector Bodies (Websites and Mobile Applications) (No. 2) Accessibility Regulations 2018. • Develop an IT Policy to ensure full compliance.	Create IT Policy – NALC Template		
PF/92	<u>BUTTERCROSS NON-DOMESTIC RATES</u> That:- a) the new Buttercross ratable value of £1 and savings of £29,402.75 be noted.	Set up EMR Move monies to EMR	Done First sum moved to EMR (£14,112.65), awaiting second refund	04/08/25

	b) the savings of £29,402.75 made be placed in an earmarked reserve for Non-Domestic Rates.		from Shropshire Council	
PF/93	<u>RESIDENTIAL RENTAL</u> <u>RECOMMENDED GG/IMM (5:2:1)</u> That a residential rent remains at £500.00 per month to be increased annually by inflation from January 2026.	Recommend to Full Council Write a letter to tenants	Done	20/10/25
PF/94	<u>RESIDENTIAL RENTAL</u> That a Residential Rental Task and Finish Group be set up. That the membership of the Residential Rental Task and Finish Working Group be made up of Councillors Childs, Ginger, Hepworth and Owen.	Call the first meeting of the Residential Rental Task and Finish Group		
PF/97	<u>CLIMATE ACTION TASK AND FINISH GROUP</u> That:- a) the minutes of the Climate Action Task and Finish Group meeting held on the 21st August 2025 be received. b) the Climate Action Task and Finish Group recommendation, to spend £45.00 for a large scale (A0)	Refer back to Climate Action TF to action	Done	19/11/25

	professionally printed map of the parish or Ludlow to be annotated with the existing green areas to help bring the idea of nature corridors to life for residents to increase participation in planting insect friendly plants be approved.			
PF/123	b) <u>Recommendations – 2nd October 2025</u> That the recommendation of the Climate Action Task and Finish Group meeting held on the 2nd October 2025 be approved:- • Local Nature Recovery Strategy (LNRS) ○ To note the purpose of the LNRS which is to identify opportunities for creating and restoring habitats beyond existing hotspots, and look at how the county can be best connected for nature. ○ To note the three responsibilities for Town & Parish Councils: 1) Consider biodiversity in their area, 2) Agree policies and objectives to support them, 3) Act to deliver the objectives ○ To agree that Town Councils are ideally placed to identify local biodiversity opportunities and threats, mobilise community action, and act as a trusted intermediary between	Refer back to Climate Action TF to action	Done	19/11/25

	residents and higher tier authorities. ○ Actions we are building on include Restoring Shropshire Verges Project and CPRE's hedgerow heroes. ○ Ludlow Town Council is taking lots of proactive action to improve habitats and hotspots within its area, along with promoting actions that residents / businesses can undertake themselves. ○ To respond to the consultation as above and to comment on the interactive mapping with the addition/enlarging of the following sites: Castle Gardens Wigley Field allotments Garden of Rest, St Laurences Fishmore View amenity area Gallows Bank Housman amenity area Steventon play area Sheet Road verges Sidney Road town green Eco Park Ballard Close amenity area Wheeler Road recreation area School playing fields Weyman Road community orchard site Dodmore Lane bridleway Hopton Close amenity area Parys Road play/amenity area			
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	• Climate Action Plan (CAP) Changes/actions relating to the CAP. ○ Action 4 - To check whether this has been completed. ○ Action 6 - To check whether this has been completed. ○ Action 10 - To check on progress. ○ Action 11 - To prepare for P & F meeting in November. ○ Action 20 - To chase Shropshire Council for a response ○ Action 23 - To chase Shropshire Council for a response in preparation for the 2026 grass cutting season. ○ Action 26 - To begin plans for a public meeting following the completion of a green Parish map. ○ Action 29 - Feedback regarding the St Johns Gardeners to go to Services. ○ Action 30 - To set a schedule in place with the Communications & Marketing Officer. ○ Action 32 - This is being done as and when appropriate by the Town Clerk & Deputy Town Clerk. ○ Action 34 - Not yet begun but will look at this for next Spring. ○ Action 35 - Will generate a list of warm hubs (by confirming with community groups) and will publicise on our website and social media.			
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PF/112	<u>ITEMS TO ACTION</u> That a report be presented to Full Council on the history of the CCTV project, to include details of the selection of the contractor, costings, payment schedule, Police contribution and accounting and any other important correspondence.	Report to Council	Done	01/12/25
PF/113	That a report be presented to Full Council upon receipt of the surveyor's report relating to the sub-station scaffolding next to the churchyard wall.	Report to Council	Done	01/12/25
PF/119	b) <u>Sexual Harassment Policy, Risk Assessment and Action Plan</u> That the Sexual Harassment Risk Assessment be referred to Staffing Committee to be reviewed and updated.	Referred to Staffing Committee	Done	19/11/25
PF/193 15/04/24	<u>ELECTRIC VEHICLE CHARGING</u> To request that a report be brought to Council to scope out the project, timeframe and costs for installing an electric vehicle charging compound.		Transferred to projects list	2025
PF/86	<u>POLICY REVIEW</u>	Recommend Policy to Full Council	Done	20/10/25

	a) <u>Information and Data Protection Policy</u> <u>RECOMMENDED RO/DL (Unanimous)</u> That the Information and Data Protection Policy, as amended to state that the policy will be reviewed “annually” instead of “periodically”, be adopted.	Update and move to Adopted Policies Folder Circulate to Staff and Councillors	Done Done	07/11/25 07/11/25
PF/87	b) <u>Data Transparency Policy</u> <u>RECOMMENDED RO/MT (Unanimous)</u> That Data Transparency Policy be amended in include the publication of the quarterly income and expenditure reports and the earmarked reserves on the Council’s website.	Amend	Done	20/10/25
PF/88	b) <u>Data Transparency Policy</u> <u>RECOMMENDED RO/DL (Unanimous)</u> That the Data Transparency Policy, as amended, be adopted.	Recommend Policy to Full Council Update and move to Adopted Policies Folder Circulate to Staff and Councillors	Done Done Done	20/10/25 07/11/25 07/11/25
PF/90	d) <u>Data Breach Policy</u>	Recommend Policy to Full Council	Done	20/10/25

	<u>RECOMMENDED RO/IMM (Unanimous)</u> That the Data Breach Policy, as amended to state that it replaces the Data Breach Policy adopted on the 17th June 2019, be adopted.	Update and move to Adopted Policies Folder Circulate to Staff and Councillors	Done Done	07/11/25 07/11/25
PF/91	e) <u>Freedom of Information Policy</u> <u>RECOMMENDED RO/KC (Unanimous)</u> That the Freedom of Information Policy, as amended to state that the policy will be reviewed annually, be adopted.	Recommend Policy to Full Council Update and move to Adopted Policies Folder Circulate to Staff and Councillors	Done Done Done	20/10/25 07/11/25 07/11/25
PF/111	<u>MINUTES</u> That the minutes of the Policy and Finance Committee meeting held on the 1st September 2025, be approved as a correct record, and signed by the Chair.	Sign minute File minutes Put online	Done Done Done	13/10/25 15/10/25 15/10/25
PF/118	<u>POLICY REVIEW</u> a) <u>Recruitment and Selection Policy</u> <u>RECOMMENDED RO/ISB (6:0:1)</u> That the Recruitment and Selection Policy,	Recommend Policy to Full Council Update and move to Adopted Policies Folder Circulate to Staff and	Done Done Done	20/10/25 07/11/25 07/11/25

	be adopted.	Councillors		
PF/120	<u>RECOMMENDED RO/MT (Unanimous)</u> That the Sexual Harassment Policy and Action Plan, be re-adopted.	Recommend Policy to Full Council	Done	20/10/25
		Update and move to Adopted Policies Folder	Done	07/11/25
		Circulate to Staff and Councillors	Done	07/11/25
PF/121	c) <u>Hedgerow Policy</u> <u>RECOMMENDED RO/ISB (Unanimous)</u> That Hedgerow Policy, be adopted.	Recommend Policy to Full Council	Done	20/10/25
		Update and move to Adopted Policies Folder	Done	07/11/25
		Circulate to Staff and Councillors	Done	07/11/25
PF/96	<u>LANARK VISIT</u> To approve written notification to Ludlow's Town Crier of the committee's acceptance of the invitation from Lanark, South Lanarkshire, Scotland to welcome Ludlow's Town Crier, and that the visit will take place at no cost to Ludlow Town Council.	Write a letter	Done	02/09/25
PF/79	<u>AGED DEBTORS</u>	Recommend to Full Council	Done	20/10/25
		Raise credit note	Done	22/10/25

	<u>RECOMMENDED GG/KC (Unanimous)</u> That invoice number 1139 for 30p owed by Craven Arms Memorials be written off.			
PF/99	<u>CCLA PUBLIC SECTOR DEPOSIT FUND INVESTMENT</u> That the Council's bank account interest rates from 2023 to present be brought to the next Policy and Finance Committee meeting.	Produce a report on interest rates	Done	13/10/25
PF/89	<u>c) Hedgerow Policy</u> That consideration of the Hedgerow Policy be deferred to the next Policy and Finance Committee meeting and a list/map of the Council's hedgerows be included in the policy.	Bring back to P&F Committee	Done	13/10/25
PF/81	<u>AGED DEBTORS</u> That the outstanding invoices relating to the Cemetery be pursued for payment including interest payable to be made within 30 days.	Pursue outstanding debts	Done	18/09/25
PF/57	<u>POLICY REVIEW</u> <u>b) Investment Policy</u>	Recommend to Full Council Update CCLA Mandate	Done Done	28/05/25 27/08/25

	<u>RECOMMENDED RO/IMM (Unanimous)</u> That the Council maintain a balance of £150,000 in the current account and all other funds be invested in the CCLA Public Sector Deposit Fund.	Move Funds Create procedure	Done Done	23/09/25 13/10/25
PF/76	<u>MINUTES</u> That the minutes of the Policy and Finance Committee meeting held on the 21st July 2025, be approved as a correct record, and signed by the Chair.	Sign minute File minutes Put online	Done Done Done	01/09/25 03/09/25 05/09/25
PF/58	b) <u>Communications Policies</u> <u>RECOMMENDED RO/IMM (Unanimous)</u> That:- a) a Communications Strategy Task and Finish Working Group be set up to review the Press Protocol, Social Media Policy, Communications Protocol and Community Engagement Policy. b) The Communications Policy Task and Finish Working Group membership be made up of Councillors Childs, Cowell, Lyle, Maxwell-Muller, Owen and Scott Bell.	Recommend to Full Council Call a meeting	Done Done	28/07/25 28/08/25

PF/60	<u>FINANCIAL INFORMATION</u> That following their approval by the Policy and Finance Committee the quarterly Income and Expenditure report be published on the Council's website.	Update website	Done 27/08/25
PF/62	<u>CLIMATE ACTION TASK AND FINISH GROUP</u> <u>RECOMMENDED RO/IMM (Unanimous)</u> That:- a) the minutes of the Climate Action Task and Finish Group meeting held on the 11th July 2025 be received. b) The Climate Action Task and Finish Group recommendations from the 11th July 2025 be approved as follows:- • That a meeting of the Ludlow Town Centre Planting Task & Finish Group be organised in September and put together a seasonal planting and tub maintenance strategy for 2025/26. This forum will allow us to begin pulling ideas together for the provision and maintenance of planting throughout Ludlow. • That a volunteer group named St	Recommend to Full Council	Done 28/07/25

	Johns Guardians should be set up. Once up and running all updates and information to go via Services Committee. The first volunteer day to take place on a weekday in September, DLF to all be available to assist with removal of rubbish etc., spades forks and trowels to be brought by the person or loaned by the DLF. • That the updates made to the Climate Action Plan as listed above be approved.			
PF/61	<u>RESIDENTIAL RENTAL</u> That a local lettings agent be instructed to undertake an internal inspection of the residential rental property and recommend a rental value.	Undertake rental valuation	Done	01/09/25
PF/56	<u>INSURANCE</u> That the Council seek insurance quotations from BHIB Councils Insurance, Gallagher (AJG) and James Hallum Council Guard.	Seek Quotes	Done	22/08/25
PF/51	<u>MINUTES</u>	Sign minute File minutes	Done Done	21/07/25 23/07/25

	That the minutes of the Policy and Finance Committee meeting held on the 16 th June 2025, be approved as a correct record, and signed by the Chair.	Put online	Done	22/08/25
PF/190 24/02/25	<u>ALLSTAR CHARGEPASS</u> <u>RECOMMENDED SW/EG (Unanimous)</u> That the Council apply for an Allstar Chargepass fuel account (Electric, Diesel and Petrol) with two cards.	Recommend Policy to Full Council	Done	03/03/25
		Apply for fuel cards	Done	18/08/25
PF/26 16/06/25	<u>Insurance Quotations</u> That insurance quotations be sought from three insurance brokers for buildings, all insured risks and motor insurance for consideration at the next Policy and Finance Committee meeting to make a recommendation to the Full Council meeting on the 28 th July 2025.	Seek 3 insurance quotes	Done	21/07/25
PF/25 16/06/25	<u>Insurance Task and Finish Group</u> <u>RECOMMENDED RO/KC (Unanimous)</u> That:- a) an Insurance Task and Finish Group be set up to review the Council's insurance requirements;	Recommend to Full Council	Done	23/06/25
		Call the first meeting on the Insurance Task and Finish Group	Done	11/07/25

	b) the Insurance Task and Finish Group membership be made up of Councillors Hepworth, Owen and Taylor.			
PF/29 16/06/25	<u>Safeguarding – Children and Vulnerable Adults Protection Policy</u> <u>RECOMMENDED RO/KC (Unanimous)</u> That the Safeguarding – Children and Vulnerable Adults Protection Policy be amended at 4.2 to read: 4.2 Recruitment and Training • Disclosure and Barring Service (DBS) checks, will be conducted for all staff, and Councillors. • Disclosure and Barring Service (DBS) checks will be conducted for volunteers working with children, young people, or vulnerable adults. • Staff, councillors and volunteers will receive regular training on safeguarding policies and procedures.	Recommend Policy to Full Council	Done	23/06/25
		Update and move to Adopted Policies Folder	Done	27/06/25
		Circulate to Staff and Councillors	Done	27/06/25
PF/33 16/06/25	<u>Task and Finish Group Recommendations – 5th June 2025</u> <u>RECOMMENDED RO/DL (Unanimous)</u> That: a) the following actions be taken in	Recommend to Full Council	Done	23/06/25
		Update Climate Action Plan	Done	27/06/25
		Purchase items	Done	27/06/25

	preparation for Ludlow Green Festival: • Key information leaflets to be produced but only in a small number. • A QR code to be displayed linking to the information on our website. • Councillors who assist with ‘manning’ the stall will be provided with a script of information. • Councillors to be emailed asking for assistance in ‘manning’ the stall. • Councillor Lyle and Cowell will arrange obtaining free flower seeds to be given away. b) an expenditure for labels and seed envelopes (£3.99 for 100 envelopes (6 x 10cm), 100 Labels off: £25.51 plus vat). Expenditure from budget code 101 4062 (climate action) which has a budget of £500 be approved. c) the following updates to be made to the Climate Action Plan: • Working Group to consider what criteria could be included in 4 – <i>We will aim to include Climate Emergency reference in all new contract specifications and Invitations to Tender and we will include these references in the evaluation process;</i> and 11 – <i>We will aim to ensure all contractors have a ‘Zero to Landfill’ policy which is regularly reviewed and updated.</i>			
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	• 20 – To approach Shropshire Council to ensure they have found alternatives to using toxic weedkillers throughout the county. • 21 – The Deputy Town Clerk to progress the Hedgerow Maintenance and Management plan to be brought to the next Climate Action Task and Finish Group as a first draft document. • 22 – Could a DLF member be invited to a future meeting of the Climate Action Task and Finish Group to discuss? The Deputy Town Clerk to produce a draft document similar to a Toolbox Talk for the DLF. • 23 – The Deputy Town Clerk to confirm if Shropshire Council have been contacted regarding reducing non-essential grass cutting of verges throughout Ludlow to allow native wildflowers to grow. • 24 – To consider before the next meeting ideas for a climate action award draft criterion. • 25 – To look at the Grant Funding criteria and make suggestions regarding how climate-related criteria could be included. • 26 – To recommend to Policy and Finance Committee that Ludlow Town Council facilitates a community meeting to discuss environmental			
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	issues and climate change. The location should be easily accessible for all to attend. • 29 – Could we embrace the current volunteer interest in Ludlow and hold a volunteer day/morning (possibly a Saturday) at St Johns Gardens to begin interest in the site start tidying up the beds.			
PF/28 16/06/25	<u>Financial Regulations</u> <u>RECOMMENDED RO/MT (Unanimous)</u> That Financial Regulation paragraph 5.15. be amended to read: Individual purchases of goods or services (or series of payments for the same service) within an agreed budget for that type of expenditure may be authorised by: • the Clerk, under delegated authority, for any items below £2,500 excluding VAT. • the Clerk, in consultation with the Chair of the Council or Chair of the appropriate Committee, for any items below £5,000 excluding VAT. • in respect of grants, Council within any limits set by the grant giving criteria, and in accordance with any policy statement agreed by the Council. • the Council for all items over £5,000;	Recommend Policy to Full Council Update and move to Adopted Policies Folder Circulate to Staff and Councillors Update Website	Done Done Done Done	23/06/25 27/06/25 27/06/25 27/06/25

	Such authorisation must be supported by a minute (in the case of Council or Committee decisions) or other auditable evidence trail.			
PF/27 16/06/25	<u>POLICY REVIEW</u>	Recommend Policy to Full Council	Done	23/06/25
	<u>Financial Regulations</u>	Update and move to Adopted Policies Folder	Done	27/06/25
	<u>RECOMMENDED RO/MT (7:0:1)</u>	Circulate to Staff and Councillors	Done	27/06/25
	That:- Financial Regulation paragraph 6.6 be amended to read: For each financial year the RFO shall draw up a schedule of regular payments due in relation to a continuing contract or obligation (such as Salaries, PAYE, National Insurance, pension contributions, rent, rates, regular maintenance contracts and similar items), which the Council may authorise in advance for the year. Financial Regulation paragraph 6.9 be amended to read: The Clerk and RFO shall have delegated authority to authorise payments in the following circumstances: i. any payment necessary to avoid a charge under the Late Payment of Commercial Debts (Interest) Act 1998 or to comply with contractual terms, where the due date for payment is	Update Website	Done	27/06/25

	before the next scheduled meeting of [the Council], where the Clerk certifies that there is no dispute or other reason to delay payment, provided that a list of such payments shall be submitted to the next appropriate meeting of Policy & Finance Committee. ii. Fund transfers within the Councils banking arrangements up to the sum of £100,000, provided that a list of such payments shall be submitted to the next appropriate meeting of Policy & Finance Committee. iii. payments of up to £10,000 excluding VAT in cases of serious risk to the delivery of Council services or to public safety on Council premises. Financial Regulation paragraph 5.18 be amended to read: In cases of serious risk to the delivery of Council services or to public safety on Council premises, the clerk 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 Clerk shall report such action to the Chair as soon as possible and to the Council as soon as practicable thereafter.			
PF/218 07/04/25	<u>POLICY REVIEW</u>	Recommend Policy to Full Council	Done	14/04/25

	<u>RECOMMENDED SW/EG (Unanimous)</u> That the Neonatal Care Leave Policy amendment to the Staff handbook and new Contract of Employment, be adopted.	Update and move to Adopted Policies Folder	Done	11/06/25
		Circulate to Staff	Done	27/06/25
PF/10 16/06/25	<u>MINUTES</u> That the minutes of the Policy and Finance Committee meeting held on the 7 th April 2025, be approved as a correct record, and signed by the Chair.	Sign minute File minutes Put online	Done Done Done	16/06/25 18/06/25 24/06/25
PF/24 16/06/25	<u>Write Off Debt</u>	Recommend to Full Council	Done	23/06/25
	<u>RECOMMENDED RO/DL (Unanimous)</u> That the Ludlow Pride organisation that incurred the debt are no longer in existence and that the debt in the sum of £45.00 plus VAT be written off.	Write off debt	Done	25/06/25
PF/37 16/06/25	<u>Carried Forward Funds</u>	Recommend to Full Council	Done	23/06/25
	<u>RECOMMENDED RO/MT (Unanimous)</u> That the carried forward funds from the 2024/25 budget into the 2025/26, as stated in the 4 th Quarter Exceptions Report, be approved.	Confirm all carried forwards are made	Done	25/06/25

PF/221	<u>NON-DOMESTIC RATES</u> That a virement of £549.00 be made from budget 501/4800 Contingency Fund to 411/4011 Linney Riverside Park Rates to cover the Non-Domestic Rates charge for the Linney Boat Shed in 2025/26.	Virement	Done	11/06/25
PF/135	b) <u>Reserve Policy</u> <u>RECOMMENDED SW/EG (Unanimous)</u> That:- the amended Reserves Policy be adopted. a) Annual Review of Reserves: To continue to monitor income trends, asset conditions, and expenditure to adjust reserves as necessary. b) Income Diversification: To reduce reliance on precept by exploring grants, and sponsorships. c) Proactive Asset Management: To conduct regular inspections of listed buildings, play areas, and other high-risk assets to prevent unexpected costs. d) Cost Monitoring: To continuously monitor operating expenses to ensure reserves remain	Recommend actions to Full Council Transfer funds to EMR Recommend Policy to Full Council Move to Adopted Policies Folder Circulate to Staff/ Councillors	Done Done Done Done Done	09/12/24 09/04/25 20/01/25 19/02/25 19/02/25

	adequate and proportionate to risks through Policy and Finance Committee. e) Reserve Levels To approve a General Reserve of £300,000 or equivalent to 3 months of operating expenditure, providing a balance between flexibility and prudent risk management. f) Earmarked Reserves: To approve total earmarked reserves of £600,000 - £800,000. g) Breakdown: Listed buildings maintenance: £200,000 Play areas and public toilets: £75,000. Market infrastructure: £50,000. Staffing contingencies: £50,000. Legal and regulatory compliance: £30,000. Other projects / devolution costs: £350,000 h) To approve building total reserves of £900,000 to £1.1 million to ensure the council can handle both short-term operational risks and long-term capital obligations.			
PF/115	<u>WEST MERCIA ENERGY</u>	Green options to be considered during energy	Done	11/06/25

	That the green energy proposal be noted and reviewed at a future meeting.	contract review																
PF/205	<u>MINUTES</u> That the minutes of the Policy and Finance Committee meeting held on the 24 th February 2025, be approved as a correct record, and signed by the Chair.	Sign minute File minutes Put online	Done Done Done	07/04/25 09/04/25 09/04/25														
PF/193	<u>Transaction Fees Cost Centre</u> <u>RECOMMENDED BW/SW (Unanimous)</u> That a new cost centre (104) Transaction Fees be created and the following codes be moved from their current cost centre to:- <table><thead><tr><th>Old Code</th><th>New Code</th></tr></thead><tbody><tr><td>101/4058 – Bank Charges</td><td>104/4058</td></tr><tr><td>119/4523 – Buttercross Card Payment Fees</td><td>104/4523</td></tr><tr><td>201/4327 – PayPal Commission Charge</td><td>104/4327</td></tr><tr><td>201/4524 – Market Card Payment Fees</td><td>104/4524</td></tr><tr><td>411/4075 – Linney Parking Meter Fees</td><td>104/4075</td></tr><tr><td>New code – Guildhall Card Payment Fees</td><td></td></tr></tbody></table>	Old Code	New Code	101/4058 – Bank Charges	104/4058	119/4523 – Buttercross Card Payment Fees	104/4523	201/4327 – PayPal Commission Charge	104/4327	201/4524 – Market Card Payment Fees	104/4524	411/4075 – Linney Parking Meter Fees	104/4075	New code – Guildhall Card Payment Fees		Recommend Policy to Full Council Create Cost Centre and move Budget Codes	Done Done	03/03/25 09/04/25
Old Code	New Code																	
101/4058 – Bank Charges	104/4058																	
119/4523 – Buttercross Card Payment Fees	104/4523																	
201/4327 – PayPal Commission Charge	104/4327																	
201/4524 – Market Card Payment Fees	104/4524																	
411/4075 – Linney Parking Meter Fees	104/4075																	
New code – Guildhall Card Payment Fees																		

PF/192	<u>BUDGETS</u> <u>Combining of Budgets</u> <u>RECOMMENDED SW/EG (Unanimous)</u> That the Subscriptions and Publications (101/4023), and Licence Fees (101/4054) budgets be amalgamated into budget 101/4023 – Subscription and Licence Fees.	Recommend Policy to Full Council Combine budgets	Done 03/03/25 Done 09/04/25
PF/220	<u>Task and Finish Group Recommendations</u> That the recommendations from the Climate Action Task and Finish Group meeting held on the 27th March 2025, be deferred to the next Policy and Finance Committee meeting.	Bring back to next meeting	Done 16/06/25
PF/216	<u>AGED DEBTORS</u> That the Ludlow Pride debt be placed on hold until the group reestablishes.	Update debtors report	Done 09/04/25

ACCOUNTING AND AUDIT

AD430 – Accounting and Audit: Year End Process - England

Getting the order right for the year end approvals is important.

The financial accounts for any year represent the financial transactions undertaken during the year. It is good practice to prepare the accounts on a continuing basis throughout the year; do NOT wait until after 31 March to start work on them.

What is the AGAR?

It's the Annual Governance and Accountability Return which all town and parish councils and parish meetings have to complete for each financial year. It can be completed after 31 March and finalised by 30 June.

It is published by the External Auditor which is appointed by the Smaller Authorities Audit Appointments ([SAAA](#)) for the relevant county.

The council should be contacted by the External Auditor in March and sent a link to the forms.

The Process

Firstly, the council should have appointed an Internal Auditor – preferably at the beginning of the financial year – so that they can start to inspect the books and processes and, if necessary, give recommendations to make improvements, before it gets to that crucial year end. The appointment of the Internal Auditor should be by resolution of the council and minuted for audit purposes.

The Internal Auditor should do a formal review and complete the internal audit report section of the form – ideally with a separate report giving reasons for their AGAR responses. The review can take place at any time, but of course the AGAR can't be finalised until the official AGAR form has been published and the financial year ended.

The council financial year runs from 1 April to 31 March.

At the beginning of April after the year end, the Clerk / RFO should obtain bank statements for all the accounts up to 31 March and should produce the set of accounts including working out the figures to be included in Section 2 (Accounting Statements).

If the council income and expenditure are both under the £25,000 threshold, the Clerk needs to ascertain from council whether there is a requirement for an External Audit Limited Assurance Review (which has to be paid for) or whether the council is happy to claim exemption. This is important to know because it will have a bearing on which form is needed.

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There is a selection of forms to choose from whether the council is a parish meeting or a town / parish council.

Choose the right set! And make sure you choose the electronically completable forms. You can have notifications for completing the form incorrectly or for missing a box.

Form 1

Should only be completed by smaller authorities that are able to declare that they have had had no financial transactions in the year and can therefore certify themselves exempt from a limited assurance review.

Form 2

Should be completed by smaller authorities where:

- the higher of gross income or gross expenditure was £25,000 or less;
- the council meets the qualifying criteria; and
- wishes to claim exemption from a limited assurance review.

Form 3

Should be completed by all smaller authorities where:

- either the higher of gross income or gross expenditure exceeded £25,000 but did not exceed £6.5 million.

Together with any other smaller authorities that are either:

- unable to certify themselves as exempt (including due to receipt of a previous Public Interest Report, or only been in existence for fewer than three years); or
- have requested a limited assurance review.

Procedure for completing the AGAR and taking it to the council

Most councils are likely to be using either Form 2 or Form 3 and guidance is provided on the forms.

The council's Internal Auditor may request to see a copy of the council's AGAR with the Accounting Statements completed so that it can be checked for typos (which are so easily done) before it is taken to council for approval.

It is good practice for the Internal Auditor to complete their portion of the AGAR, print it and provide both the electronic copy and a printed hard signed copy.

However, Section 1 – the Annual Governance Statement – should not be completed for the Internal Auditor as that is for the council to complete at a meeting. It is the council as a corporate body which must take responsibility for this.

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Furthermore, it is good practice for the council not to complete Section 1 until the Internal Auditor Report has been received as it should be integral to the answers they give.

Whichever form is chosen, the order of completion at a meeting (apart from the addition of the exemption certification) is the same.

The agenda should include the following items:

1. **Internal Audit** – to receive the report from the Internal Auditor
2. **Certificate of Exemption** – to consider whether to complete a Certificate of Exemption from submission to the External Auditor due to being under the £25,000 threshold or to have a Limited Assurance Review [for Form 2]
3. **Annual Governance Statement** – to consider the questions and respond accordingly
4. **Accounting Statements** – to consider and agree the accounting statement figures
5. **Electors' Rights** – to note the dates of the Exercise of Public Rights as xx to xx 20xx

The Statement of Variance could also be included for noting.

It is recommended that the Electors' Rights dates are included on the agenda because the Internal Auditor is required to confirm that the council has complied with the requirements and this is easier if there is a Minute reference.

Electors' Rights

To calculate the Electors Rights dates (which have to be for 30 working days and include the first 10 working days of July) – see the [separate excel calculator].

Make sure that the date of the notice is at least one day after the meeting at which the accounts were agreed and at least the day before the dates start.

How to complete the form ready for the meeting

Enter the details required on page 3 of either PDF and it will propagate throughout the form. If it's the Exemption Certificate, don't forget to add the email address, telephone number and website URL.

Ensure that the Section 2 Accounting Statements are fully complete (and if claiming exemption complete the figures on that page) and print out all the documents ready for the meeting.

The RFO should sign the Accounting Statements before the meeting to indicate that they are happy with them.

Ensure that the forms are signed in the right place at the meeting and then once the meeting is concluded and the Minutes written, add the Minute references to the appropriate boxes.

If the council claims exemption, all that is needed is to scan / photograph the signed AGAR and email the External Auditors the completed Exemption Certificate. The External Auditor may ask for additional information, but only send them what they ask for.

All the documents must be published on the council website (preferably in an easy to find Finance section). This is all part of the transparency requirements with which councils under the £25k threshold must comply.

If Form 3 has been completed, then the signed AGAR must be scanned / photographed and the following sent to the External Auditors:

- Section 1 – Annual Governance Statement (signed)
- Section 2 – Accounting Statements (signed)
- Annual Internal Audit Report (signed)
- A bank reconciliation
- Statement of variances
- Electors' Rights Notice

Again, make sure that everything is posted on the website.

If the council has been selected for intermediate review, the External Auditor will ask for some additional information.

Different External Auditors have different requirements. Some have a set list which is available on their website, others will tailor the requirements to each council.

The SLCC Advice Line – 0800 260 6814 – is available to all members for questions.

ACCOUNTING AND AUDIT

AN004 - Accounting and Audit: Inspection of Accounts and External Audit of Accounts

Accounts are to be made up each year to 31 March.

The external audit of local council accounts is governed by the Local Audit and Accountability Act 2014 ('the 2014 Act').

External auditors have been appointed for every local council.

During the 'inspection period' (see below) any 'person interested', and any journalist, may inspect the accounting records for the financial year and all books, deeds, contracts, vouchers, receipts and other documents relating to those records. These rights do not extend to personal information about a member of staff, or to information protected on the grounds of commercial confidentiality. Local government electors also have the right to question the external auditor about the accounting records. (section 26 of the 2014 Act)

A local government elector may make objections to the accounts as to any matter on which the auditor may make a report or apply to the Court. Such objection must be in writing and a copy must be sent to the local council. (Section 27 of the 2014 Act.)

The rights in section 26 and 27 can be exercised only during the 'inspection period' appointed by the RFO. The inspection period must be a period of 30 consecutive working days and must include the first ten working days in July. ('Working days' are all days excluding Saturdays, Sundays and public holidays). The RFO must give notice of the inspection period, and how rights of inspection may be exercised, by publication on a freely accessible website.

As soon as reasonably possible after conclusion of an audit, a local council should publish a notice on a freely accessible website, stating the audit has been completed and that the relevant accounting statements have been published (Reg. 16).

Items 11a

Payments & Income – September 2025

Receipts for Month 6

Nominal Ledger Analysis

Receipt Ref	Name of Payer	£ Amnt Received	£ Debtors	£ VAT	A/c	Centre	£ Amount	Transaction Detail
	Balance Brought Fwd :	1,313,867.29					1,313,867.29	
	Banked: 30/08/2025	50.00						
	Linney Parking Meter	50.00		8.33	1075	411	41.67	Linney Parking Meter 30/08/25
	Banked: 31/08/2025	511.00						
	Sales Recpts Page 770	511.00	511.00		101			Sales Recpts Page 770
	Banked: 31/08/2025	50.00						
	Linney Parking Meter	50.00		8.33	1075	411	41.67	Linney Parking Meter 31/08/25
	Banked: 01/09/2025	1,666.66						
Std Rec	Bensons of Ludlow Ltd	1,666.66			1000	115	1,666.66	BX Shop Rent
	Banked: 01/09/2025	500.00						
Std Rec	J Hughes	500.00			1050	401	500.00	Cemetery House Rent
	Banked: 01/09/2025	59.98						
	SumUp	-1.02			4523	104	-1.02	BX Museum Card Payment Fee
	BX Museum Tickets	19.80			1006	119	19.80	BX Museum Tickets - 31/08/25
	BX Museum Tickets	17.20			1006	119	17.20	BX Museum Tickets - 30/08/25
	BX Museum Tickets	24.00			1006	119	24.00	BX Museum Tickets - 29/08/25
	Banked: 01/09/2025	1,342.94						
	SumUp	-23.06			4524	104	-23.06	Mkt Card Payment Fee
	Market Rents	168.00			1037	201	168.00	Market Rents - 31/08/25 C&C
	Market Rents	449.50			1020	201	449.50	Market Rents - 30/08/25
	Market Rents	748.50			1020	201	748.50	Market Rents - 29/08/25
	Banked: 01/09/2025	32.00						
	Linney Parking Meter	32.00		5.33	1075	411	26.67	Linney Parking Meter 01/09/25
	Banked: 02/09/2025	112.56						
	SumUp	-1.94			4524	104	-1.94	Mkt Card Payment Fee
	Market Rents	114.50			1020	201	114.50	Market Rents - 01/09/25
	Banked: 02/09/2025	32.00						
	Linney Parking Meter	32.00		5.33	1075	411	26.67	Linney Parking Meter 02/09/25
	Banked: 02/09/2025	144.00						
	M Friend	144.00			1018	101	144.00	Street Trading Permit No. 905
	Banked: 03/09/2025	22.00						
	Linney Parking Meter	22.00		3.67	1075	411	18.33	Linney Parking Meter 03/09/25
	Banked: 04/09/2025	4,289.00						
	Linney Parking Meter	178.00		29.67	1075	411	148.33	Linney Parking Meter 04/09/25
	Market Rents	252.50			1020	201	252.50	Market Rents - 29/08/25
	BX Market Rents	38.00			1003	201	38.00	BX Market Rents - 29/08/25
	Parking Permits	80.00		13.33	1040	201	66.67	Parking Permits - 29/08/25
	Electricity	16.50		2.75	1022	201	13.75	Electricity - 29/08/25
	Produce Market Parking	320.00	320.00		101			Sales Recpts Page 769
	Market Rents	734.00			1020	201	734.00	Market Rents - 30/08/25
	BX Market Rents	40.00			1003	201	40.00	BX Market Rents - 30/08/25
	Parking Permits	80.00		13.33	1040	201	66.67	Parking Permits - 30/08/25

Receipts for Month 6

Nominal Ledger Analysis

Receipt Ref	Name of Payer	£ Amnt Received	£ Debtors	£ VAT	A/c	Centre	£ Amount	Transaction Detail
	Electricity	21.50		3.58	1022	201	17.92	Electricity - 30/08/25
	Market Rents	97.00			1037	201	97.00	Market Rents - 31/08/25 C&C
	Parking Permits	80.00		13.33	1040	201	66.67	Parking Permits - 31/08/25
	Electricity	13.00		2.17	1022	201	10.83	Electricity - 31/08/25
	Market Rents	176.50			1020	201	176.50	Market Rents - 01/09/25
	Parking Permits	56.00		9.33	1040	201	46.67	Parking Permits - 01/09/25
	Electricity	13.00		2.17	1022	201	10.83	Electricity - 01/09/25
	Market Rents	159.50			1020	201	159.50	Market Rents - 03/09/25
	Parking Permits	80.00		13.33	1040	201	66.67	Parking Permits - 03/09/25
	Electricity	12.50		2.08	1022	201	10.42	Electricity - 03/09/25
	Toilet Coin Boxes	107.95		17.99	1174	303	89.96	Toilet Coin Boxes - 03/09/25
	C Wood	1,477.00		246.17	1059	302	1,230.83	Mem Bench - Plot L
	Linney Parking Meter	256.05		42.68	1075	411	213.37	Linney Parking Meter 28/08/25
	Banked: 04/09/2025	2,275.00						
2	Income Cashbook	2,275.00			205		2,275.00	Income
	Banked: 04/09/2025	384.92						
	SumUp	-6.58			4524	104	-6.58	Mkt Card Payment Fee
	Market Rents	391.50			1020	201	391.50	Market Rents - 03/09/25
	Banked: 04/09/2025	8.00						
	Linney Parking Meter	8.00		1.33	1075	411	6.67	Linney Parking Meter 04/09/25
	Banked: 05/09/2025	1,820.50						
3	Income Cashbook	1,820.50			205		1,820.50	Income
	Banked: 05/09/2025	58.00						
	SumUp	-1.00			4524	104	-1.00	Mkt Card Payment Fee
	Market Rents	59.00			1038	201	59.00	Market Rents - 04/09/25 F&C
	Banked: 05/09/2025	28.00						
	Linney Parking Meter	28.00		4.67	1075	411	23.33	Linney Parking Meter 05/09/25
	Banked: 05/09/2025	218.74						
	N Pharo	23.50			1037	201	23.50	Market Rents - C&C
	A Huxtable	23.50			1037	201	23.50	Market Rents - C&C
	A Jenkins	18.00			1038	201	18.00	Market Rents - F&C
	I Swankhuisen	63.50			1037	201	23.50	Market Rents - C&C
					1037	201	40.00	Market Rents - Food Fest
	C Chakki	18.00			1038	201	18.00	Market Rents - F&C
	D Perrett	18.00			1018	101	18.00	Market Rents - F&C
	A Davies	41.50			1038	201	18.00	Market Rents - F&C
					1037	201	23.50	Market Rents - C&C
	H Underhill	18.00			1038	201	18.00	Market Rents - F&C
	Stripe	-5.26			4524	104	-5.26	Mkt Web Card Payment Fee
	Banked: 06/09/2025	32.00						
	Linney Parking Meter	32.00		5.33	1075	411	26.67	Linney Parking Meter 06/09/25
	Banked: 07/09/2025	42.00						
	Linney Parking Meter	42.00		7.00	1075	411	35.00	Linney Parking Meter 07/09/25

Receipts for Month 6

Nominal Ledger Analysis

<u>Receipt Ref</u>	<u>Name of Payer</u>	<u>£ Amnt Received</u>	<u>£ Debtors</u>	<u>£ VAT</u>	<u>A/c</u>	<u>Centre</u>	<u>£ Amount</u>	<u>Transaction Detail</u>
	Banked: 08/09/2025	50.73						
	SumUp	-0.87			4523	104	-0.87	BX Museum Card Payment Fee
	BX Museum Tickets	2.40			1006	119	2.40	BX Museum Tickets - 05/09/25
	BX Museum Tickets	18.40			1006	119	18.40	BX Museum Tickets - 06/09/25
	BX Museum Tickets	30.80			1006	119	30.80	BX Museum Tickets - 07/09/25
	Banked: 08/09/2025	808.60						
	SumUp	-13.90			4524	104	-13.90	Mkt Card Payment Fee
	Market Rents	592.50			1020	201	592.50	Market Rents - 06/09/25
	Market Rents	230.00			1020	201	230.00	Market Rents - 05/09/25
	Banked: 08/09/2025	6.00						
	Linney Parking Meter	6.00		1.00	1075	411	5.00	Linney Parking Meter 08/09/25
	Banked: 08/09/2025	5,789.91						
	Barclays Bank	5,789.91			1196	101	5,789.91	Interest Received
	Banked: 09/09/2025	136.65						
	SumUp	-2.35			4524	104	-2.35	Mkt Card Payment Fee
	Market Rents	139.00			1020	201	139.00	Market Rents - 08/09/25
	Banked: 09/09/2025	34.00						
	Linney Parking Meter	34.00		5.67	1075	411	28.33	Linney Parking Meter 09/09/25
	Banked: 10/09/2025	30.00						
	Linney Parking Meter	30.00		5.00	1075	411	25.00	Linney Parking Meter 10/09/25
	Banked: 11/09/2025	2,063.00						
	Sales Recpts Page 775	2,063.00	2,063.00		101			Sales Recpts Page 775
	Banked: 11/09/2025	2,615.00						
3	Income Cashbook	2,615.00			205		2,615.00	Income
	Banked: 11/09/2025	300.36						
	SumUp	-5.14			4524	104	-5.14	Mkt Card Payment Fee
	Market Rents	305.50			1020	201	305.50	Market Rents - 10/09/25
	Banked: 11/09/2025	14.00						
	Linney Parking Meter	14.00		2.33	1075	411	11.67	Linney Parking Meter 11/09/25
	Banked: 12/09/2025	18.00						
	Linney Parking Meter	18.00		3.00	1075	411	15.00	Linney Parking Meter 12/09/25
	Banked: 12/09/2025	6,844.00						
	Mayor's Charity	6,844.00			4216	105	6,844.00	Mayor's Charity Payout
	Banked: 12/09/2025	2,994.70						
	Stripe	-58.30			4524	104	-58.30	Mkt Web Card Payment Fee
	A Davies	40.00			1037	201	40.00	Market Rents - Food Fest
	A Walford	76.00			1037	201	23.50	Market Rents - C&C
					1038	201	29.00	Market Rents - F&C
					1037	201	23.50	Market Rents - Xmas

Receipts for Month 6

Nominal Ledger Analysis

<u>Receipt Ref</u>	<u>Name of Payer</u>	<u>£ Amnt Received</u>	<u>£ Debtors</u>	<u>£ VAT</u>	<u>A/c</u>	<u>Centre</u>	<u>£ Amount</u>	<u>Transaction Detail</u>
	H Childe	40.00			1037	201	40.00	Market Rents - Xmas
	H Childe	1.50		0.25	1022	201	1.25	Electricity - 30/11/25
	R Bird	207.00			1037	201	80.00	Market Rents - C&C
					1038	201	29.00	Market Rents - Halloween
					1038	201	58.00	Market Rents - F&C
					1037	201	40.00	Market Rents - Xmas
	A Jenkins	95.50			1038	201	54.00	Market Rents - F&C
					1038	201	18.00	Market Rents - Halloween
					1037	201	23.50	Market Rents - C&C
	A Walford	29.00			1038	201	29.00	Market Rents - Xmas
	A Hackett	112.00			1037	201	70.50	Market Rents - C&C
					1038	201	18.00	Market Rents - F&C
					1037	201	23.50	Market Rents - Xmas
	R Bird	98.00			1038	201	58.00	Market Rents - Xmas
					1037	201	40.00	Market Rents - Xmas
	A Jenkins	36.00			1038	201	36.00	Market Rents - Xmas
	A Jenkins	23.50			1037	201	23.50	Market Rents - Xmas
	A Hackett	36.00			1038	201	36.00	Market Rents - F&C
	C Oakley	137.00			1037	201	18.00	Market Rents - Halloween
					1038	201	36.00	Market Rents - F&C
					1037	201	47.00	Market Rents - Xmas
					1038	201	36.00	Market Rents - Xmas
	C Varley	23.50			1037	201	23.50	Market Rents - C&C
	J Eldridge	65.00			1037	201	23.50	Market Rents - C&C
					1037	201	23.50	Market Rents - Xmas
					1038	201	18.00	Market Rents - Xmas
	C Varley	65.00			1037	201	23.50	Market Rents - C&C
					1037	201	23.50	Market Rents - Xmas
					1038	201	18.00	Market Rents - Xmas
	M Bell - Twigg & Bell	200.50			1037	201	40.00	Market Rents - Food Fest
					1038	201	18.00	Market Rents - Halloween
					1037	201	23.50	Market Rents - C&C
					1038	201	36.00	Market Rents - F&C
					1038	201	36.00	Market Rents - Xmas
					1037	201	47.00	Market Rents - Xmas
	A Skipsey	59.50			1037	201	23.50	Market Rents - Xmas
					1038	201	18.00	Market Rents - Halloween
					1038	201	18.00	Market Rents - Xmas
	A Skipsey	4.50		0.75	1022	201	3.75	Electricity
	M Jones	54.00			1038	201	18.00	Market Rents - Halloween
					1038	201	18.00	Market Rents - F&C
					1038	201	18.00	Market Rents - Xmas
	M Jones	23.50			1037	201	23.50	Market Rents - C&C
	E Melkis	40.00			1037	201	40.00	Market Rents - Food Fest
	E Melkis	1.50		0.25	1022	201	1.25	Electricity
	J Eldridge	23.50			1037	201	23.50	Market Rents - Xmas
	A McCann	23.50			1037	201	23.50	Market Rents - Xmas
	C Broad	36.00			1038	201	36.00	Market Rents - Xmas
	P Thomas	141.00			1037	201	47.00	Market Rents - Xmas
					1038	201	47.00	Market Rents - Xmas

			1038	201	47.00	Market Rents - F&C
V Haynes	130.00		1037	201	47.00	Market Rents - C&C
			1037	201	47.00	Market Rents - Xmas
			1038	201	18.00	Market Rents - Xmas
			1038	201	18.00	Market Rents - F&C
S Cowell	200.00		1038	201	120.00	Market Rents - F&C
			1038	201	80.00	Market Rents - Xmas
S Cowell	7.50	1.25	1022	201	6.25	Electricity
M Vojtek	83.00		1037	201	47.00	Market Rents - Xmas
			1038	201	36.00	Market Rents - Xmas
A Gregory	36.00		1038	201	36.00	Market Rents - F&C
E Onions	40.00		1037	201	40.00	Market Rents - Food Fest
E Onions	1.50	0.25	1022	201	1.25	Electricity
S Howes	65.00		1037	201	47.00	Marker Rents - C&C
			1038	201	18.00	Marker Rents - Xmas
J Varela	41.50		1037	201	23.50	Market Rents - Xmas
			1038	201	18.00	Market Rents - Xmas
K Edwards	95.50		1037	201	23.50	Market Rents - C&C
			1038	201	18.00	Market Rents - Halloween
			1038	201	18.00	Market Rents - F&C
			1038	201	36.00	Market Rents - Xmas
S Swancott	65.00		1037	201	47.00	Market Rents - Xmas
			1038	201	18.00	Market Rents - Xmas
S Swancott	4.50	0.75	1022	201	3.75	Electricity
R Weedall	23.50		1037	201	23.50	Market Rents - C&C
C Chakki	216.50		1038	201	120.00	Market Rents - F&C
			1038	201	40.00	Market Rents - Halloween
			1037	201	56.50	Market Rents - C&C
K Preece	40.00		1037	201	40.00	Market Rents - Food Fest
K Stenning	23.50		1037	201	23.50	Market Rents - Xmas
J Varela	23.50		1037	201	23.50	Market Rents - Xmas
P Andrews	135.50		1037	201	40.00	Market Rents - Food Fest
			1038	201	54.00	Market Rents - F&C
			1037	201	23.50	Market Rents - C&C
			1038	201	18.00	Market Rents - Halloween
P Andrews	23.50		1037	201	23.50	Market Rents - C&C
H Underhill	23.50		1037	201	23.50	Market Rents - C&C
C Varley	40.00		1037	201	40.00	Market Rents - Food Fest
P Lovatt	40.00		1037	201	40.00	Market Rents - Food Fest
P Lovatt	1.50	0.25	1022	201	1.25	Electricity
Banked: 13/09/2025	36.00					
Linney Parking Meter	36.00	6.00	1075	411	30.00	Linney Parking Meter 13/09/25
Banked: 14/09/2025	60.00					
Linney Parking Meter	60.00	10.00	1075	411	50.00	Linney Parking Meter 14/09/25
Banked: 15/09/2025	962.00					
Sales Recpts Page 773	962.00	962.00	101			Sales Recpts Page 773
Banked: 15/09/2025	90.80					
SumUp	-1.55		4523	104	-1.55	BX Museum Card Payment Fee
BX Museum Tickets	21.75		1006	119	21.75	BX Museum Tickets - 12/09/25
BX Museum Tickets	64.60		1006	119	64.60	BX Museum Tickets - 13/09/25
BX Museum Tickets	6.00		1006	119	6.00	BX Museum Tickets - 14/09/25

Receipts for Month 6

Nominal Ledger Analysis

<u>Receipt Ref</u>	<u>Name of Payer</u>	<u>£ Amnt Received</u>	<u>£ Debtors</u>	<u>£ VAT</u>	<u>A/c</u>	<u>Centre</u>	<u>£ Amount</u>	<u>Transaction Detail</u>
	Banked: 15/09/2025	1,465.58						
	SumUp	-25.17			4524	104	-25.17	Mkt Card Payment Fee
	Market Rents	265.50			1037	201	265.50	Market Rents - 14/09/25 C&C
	Market Rents	515.75			1020	201	515.75	Market Rents - 13/09/25
	Market Rents	709.50			1020	201	709.50	Market Rents - 12/09/25
	Banked: 15/09/2025	48.00						
	Linney Parking Meter	48.00		8.00	1075	411	40.00	Linney Parking Meter 15/09/25
	Banked: 16/09/2025	26.54						
	SumUp	-0.46			4524	104	-0.46	Mkt Card Payment Fee
	Market Rents	27.00			1020	201	27.00	Market Rents - 15/09/25
	Banked: 16/09/2025	20.00						
	Linney Parking Meter	20.00		3.33	1075	411	16.67	Linney Parking Meter 16/09/25
	Banked: 17/09/2025	300.00						
300	Pay Pal Market	300.00			202		300.00	PayPal
	Banked: 17/09/2025	8.00						
	Linney Parking Meter	8.00		1.33	1075	411	6.67	Linney Parking Meter 17/09/25
	Banked: 18/09/2025	1,965.00						
4	Income Cashbook	1,965.00			205		1,965.00	Income
	Banked: 18/09/2025	40.00						
8	Income Cashbook	40.00			205		40.00	Income
	Banked: 18/09/2025	331.83						
	SumUp	-5.67			4524	104	-5.67	Mkt Card Payment Fee
	Market Rents	337.50			1020	201	337.50	Market Rents - 17/09/25
	Banked: 18/09/2025	24.00						
	Linney Parking Meter	24.00		4.00	1075	411	20.00	Linney Parking Meter 18/09/25
	Banked: 19/09/2025	899.00						
	Sales Recpts Page 772	899.00	899.00		101			Sales Recpts Page 772
	Banked: 19/09/2025	93.39						
	SumUp	-1.61			4524	104	-1.61	Mkt Card Payment Fee
	Market Rents	95.00			1028	201	95.00	Market Rents - 18/09/25 Mayors
	Banked: 19/09/2025	18.00						
	Linney Parking Meter	18.00		3.00	1075	411	15.00	Linney Parking Meter 19/09/25
	Banked: 19/09/2025	405.25						
	Stripe	-8.25			4524	104	-8.25	Mkt Web Card Payment Fee
	Shropshire Wildlife Trust	70.50			1037	201	23.50	Market Rents - C&C
					1037	201	47.00	Market Rents - Xmas
	K O'Connell	23.50			1037	201	23.50	Market Rents - C&C
	K O'Connell	41.50			1037	201	23.50	Market Rents - Xmas
					1038	201	18.00	Market Rents - Xmas

Receipts for Month 6

Nominal Ledger Analysis

<u>Receipt Ref</u>	<u>Name of Payer</u>	<u>£ Amnt Received</u>	<u>£ Debtors</u>	<u>£ VAT</u>	<u>A/c</u>	<u>Centre</u>	<u>£ Amount</u>	<u>Transaction Detail</u>
	K O'Connell	3.00		0.50	1022	201	2.50	Electricity
	A Anderson	41.50			1037	201	23.50	Market Rents - Xmas
					1038	201	18.00	Market Rents - Xmas
	K Preece	23.50			1037	201	23.50	Market Rents - C&C
	K Preece	88.50			1037	201	47.00	Market Rents - C&C
					1038	201	18.00	Market Rents - Halloween
					1037	201	23.50	Market Rents - Xmas
	L Ross	91.00			1038	201	20.00	Market Rents - F&C
					1037	201	51.00	Market Rents - Xmas
					1038	201	20.00	Market Rents - Xmas
	L Ross	11.00		1.83	1022	201	9.17	Electricity
	A Purvin	18.00			1038	201	18.00	Market Rents - F&C
	A Purvin	1.50		0.25	1022	201	1.25	Electricity
	Banked: 20/09/2025	26.00						
	Linney Parking Meter	26.00		4.33	1075	411	21.67	Linney Parking Meter 20/09/25
	Banked: 21/09/2025	18.00						
	Linney Parking Meter	18.00		3.00	1075	411	15.00	Linney Parking Meter 21/09/25
	Banked: 22/09/2025	56.64						
	SumUp	-0.96			4523	104	-0.96	BX Museum Card Payment Fee
	BX Museum Tickets	17.40			1006	119	17.40	BX Museum Tickets - 19/09/25
	BX Museum Tickets	24.00			1006	119	24.00	BX Museum Tickets - 20/09/25
	BX Museum Tickets	16.20			1006	119	16.20	BX Museum Tickets - 21/09/25
	Banked: 22/09/2025	1,218.07						
	SumUp	-20.93			4524	104	-20.93	Mkt Card Payment Fee
	Market Rents	597.50			1020	201	597.50	Market Rents - 20/09/25
	Market Rents	641.50			1020	201	641.50	Market Rents - 19/09/25
	Banked: 22/09/2025	14.00						
	Linney Parking Meter	14.00		2.33	1075	411	11.67	Linney Parking Meter 22/09/25
	Banked: 23/09/2025	140.57						
	SumUp	-2.43			4524	104	-2.43	Mkt Card Payment Fee
	Market Rents	143.00			1020	201	143.00	Market Rents - 22/09/25
	Banked: 23/09/2025	34.00						
	Linney Parking Meter	34.00		5.67	1075	411	28.33	Linney Parking Meter 23/09/25
	Banked: 23/09/2025	98.31						
	Mr Davies	100.00			1166	105	100.00	Mayors Charity Curry Night
	SumUp	-1.69			4525	104	-1.69	GH Card Payment Fee
	Banked: 24/09/2025	36.00						
	Linney Parking Meter	36.00		6.00	1075	411	30.00	Linney Parking Meter 24/09/25
	Banked: 24/09/2025	98.31						
	SumUp	-1.69			4525	104	-1.69	GH Card Payment Fee
	S Noakes - Connexus	25.00			1166	105	25.00	Mayors Charity Curry Night
	J Horsfall	75.00			1166	105	75.00	Mayors Charity Curry Night

Receipts for Month 6

Nominal Ledger Analysis

<u>Receipt Ref</u>	<u>Name of Payer</u>	<u>£ Amnt Received</u>	<u>£ Debtors</u>	<u>£ VAT</u>	<u>A/c</u>	<u>Centre</u>	<u>£ Amount</u>	<u>Transaction Detail</u>
	Banked: 25/09/2025	480.00						
	Sales Recpts Page 776	480.00	480.00		101			Sales Recpts Page 776
	Banked: 25/09/2025	2,280.00						
5	Income Cashbook	2,280.00			205		2,280.00	Income
	Banked: 25/09/2025	383.42						
	SumUp	-6.58			4524	104	-6.58	Mkt Card Payment Fee
	Market Rents	390.00			1020	201	390.00	Market Rents - 24/09/25
	Banked: 25/09/2025	34.00						
	Linney Parking Meter	34.00		5.67	1075	411	28.33	Linney Parking Meter 25/09/25
	Banked: 26/09/2025	578.00						
6	Income Cashbook	578.00			205		578.00	Income
	Banked: 26/09/2025	98.00						
9	Income Cashbook	98.00			205		98.00	Income
	Banked: 26/09/2025	28.00						
	Linney Parking Meter	28.00		4.67	1075	411	23.33	Linney Parking Meter 26/09/25
	Banked: 26/09/2025	49.15						
	SumUp	-0.85			4525	104	-0.85	GH Card Payment Fee
	P Addis	50.00			1166	105	50.00	Mayors Charity Curry Night
	Banked: 26/09/2025	207.91						
	H Underhill	18.00			1038	201	18.00	Market Rents - F&C
	S Ray	83.00			1037	201	47.00	Market Rents - Xmas
					1038	201	36.00	Market Rents - Xmas
	R Stanness	23.50			1037	201	23.50	Market Rents - Xmas
	E Onions	23.50			1037	201	23.50	Market Rents - C&C
	E Onions	1.50		0.25	1022	201	1.25	Electricity
	S Hamer	23.50		3.92	1037	201	19.58	Market Rents - Xmas
	K Edwards	40.00			1037	201	40.00	Market Rents - Xmas
	Stripe	-5.09			4524	104	-5.09	Mkt Web Card Payment Fee
	Banked: 27/09/2025	4.00						
	Linney Parking Meter	4.00		0.67	1075	411	3.33	Linney Parking Meter 27/09/25
	Banked: 28/09/2025	64.00						
	Linney Parking Meter	64.00		10.67	1075	411	53.33	Linney Parking Meter 28/09/25
	Banked: 29/09/2025	1,610.00						
7	Income Cashbook	1,610.00			205		1,610.00	Income
	Banked: 29/09/2025	52.12						
	SumUp	-0.88			4523	104	-0.88	BX Museum Card Payment Fee
	BX Museum Tickets	6.00			1006	119	6.00	BX Museum Tickets - 26/09/25
	BX Museum Tickets	19.20			1006	119	19.20	BX Museum Tickets - 27/09/25
	BX Museum Tickets	27.80			1006	119	27.80	BX Museum Tickets - 28/09/25
	Banked: 29/09/2025	1,629.27						

Receipts for Month 6

Nominal Ledger Analysis

<u>Receipt Ref</u>	<u>Name of Payer</u>	<u>£ Amnt Received</u>	<u>£ Debtors</u>	<u>£ VAT</u>	<u>A/c</u>	<u>Centre</u>	<u>£ Amount</u>	<u>Transaction Detail</u>
	SumUp	-27.98			4524	104	-27.98	Mkt Card Payment Fee
	Market Rents	313.00			1037	201	313.00	Market Rents - 28/09/25 C&C
	Market Rents	619.75			1020	201	619.75	Market Rents - 27/09/25
	Market Rents	724.50			1020	201	724.50	Market Rents - 26/09/25
	Banked: 29/09/2025	28.00						
	Linney Parking Meter	28.00		4.67	1075	411	23.33	Linney Parking Meter 29/09/25
	Banked: 29/09/2025	73.73						
	Mr Esplin	75.00			1166	105	75.00	Mayor's Charity Curry Night
	SumUp	-1.27			4525	104	-1.27	GH Card Payment Fee
	Banked: 29/09/2025	418.50						
	Meat Master	418.50			1018	101	418.50	Street Trading Permit No. 908
	Banked: 29/09/2025	-418.50						
	Correction	-418.50			1018	101	-418.50	Correction
	Banked: 29/09/2025	418.50						
	Meat Masters	75.00		12.50	1022	201	62.50	Electricity ST No. 908
	Meat Masters	343.50			1018	101	343.50	Street Trading Permit No. 908
	Banked: 30/09/2025	188.24						
	SumUp	-3.26			4524	104	-3.26	Mkt Card Payment Fee
	Market Rents	191.50			1020	201	191.50	Market Rents - 29/09/25
	Banked: 30/09/2025	40.00						
	Linney Parking Meter	40.00		6.67	1075	411	33.33	Linney Parking Meter 30/09/25
Total Receipts for Month		52,163.88	5,235.00	591.24			46,337.64	
Cashbook Totals		<u>1,366,031.17</u>	<u>5,235.00</u>	<u>591.24</u>			<u>1,360,204.93</u>	

Date: 19/11/2025

Ludlow Town Council Current Year - 2025-26

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Cashbook 1

User: LJ

Barclays Combined

For Month No: 6

Payments for Month 6

Nominal Ledger Analysis

<u>Date</u>	<u>Payee Name</u>	<u>Reference</u>	<u>£ Total Amnt</u>	<u>£ Creditors</u>	<u>£ VAT</u>	<u>A/c</u>	<u>Centre</u>	<u>£ Amount</u>	<u>Transaction Detail</u>
05/08/2025	Correction	CORRECTION	-100.00			4207	105	-100.00	Correction
01/09/2025	Shropshire Council	Std Ord	2,495.00			4011	201	2,495.00	NDR Market
01/09/2025	Shropshire Council	Std Ord	220.00			4011	401	220.00	NDR Cemetery
01/09/2025	Shropshire Council	Std Ord	55.00			4011	411	55.00	NDR Linney Boat house
01/09/2025	TV Licence	Std Ord	8.90			4023	101	8.90	TV Licence
01/09/2025	Water Plus	1	57.40	57.40		501			BX Water - 2025/26
01/09/2025	Screwfix	2	107.98	107.98		501			Cordless Blower & Trousers
01/09/2025	Correction	DDR	-8.90			4023	101	-8.90	Correction
01/09/2025	TV Licence	DDR	9.75			4023	101	9.75	TV Licence
03/09/2025	Allstar Business Solutions Ltd	13	83.43	83.43		501			EV Fuel
04/09/2025	Income Cashbook	1	4,289.00			205		4,289.00	Income Correction
05/09/2025	Hire Equipment (Ludlow) Ltd	2952411536	57.00	57.00		501			Generator Hire - 22/07/25
05/09/2025	Ludlow Homecare Ltd	2952411372	425.94	425.94		501			283468/283844/Ludlow Homecare
05/09/2025	Impact Promotions	2952391016	156.00	156.00		501			Advertising - Library Booklets
05/09/2025	James Hallam Ltd	0452900388	3,153.44	3,153.44		501			Motor Insurance 2025/26
05/09/2025	Gallagher	0452929002	25,743.88	25,743.88		501			Insurance Ecclesiastical 25/26
05/09/2025	Alphabet (UK) Ltd	3	25.00	25.00		501			Road Tax - LD23 TLT
05/09/2025	Barclays Bank	4	94.25	94.25		501			Bank Charges - Jul-Aug 25
05/09/2025	Barclays Bank	28	8.57	8.57		501			Bank Charges - Jul-Aug 25
07/09/2025	Shropshire Council	Std Ord	1,035.00			4011	121	1,035.00	NDR Guildhall
08/09/2025	Waste Managed Ltd	14	300.35	300.35		501			Depot Waste Removal
10/09/2025	Allstar Business Solutions Ltd	15	136.87	136.87		501			Fuel
12/09/2025	Information Comissioner's Offi	27	73.00	73.00		501			Data Protection Reg Cert 25/26
15/09/2025	Barclaycard	19	3,127.72			204		3,127.72	Barclaycard
15/09/2025	AIB Merchant Services	27	62.63	62.63		501			Linney Parking Meter Fees
16/09/2025	West Mercia Energy	5	1,105.84	1,105.84		501			BX Electric Benefits 24/25
16/09/2025	Alphabet (UK) Ltd	24	539.99	539.99		501			Van Leasehire - MJ73 VZY
16/09/2025	Alphabet (UK) Ltd	25	539.99	539.99		501			Van Leasehire - MJ73 ZGH
16/09/2025	Alphabet (UK) Ltd	26	403.19	403.19		501			Van Leasehire - LD23 TLT
17/09/2025	Plusnet plc	6	34.44	34.44		501			GH Broadband
17/09/2025	Allstar Business Solutions Ltd	16	59.29	59.29		501			EV Fuel
19/09/2025	Public Sector Deposit Fund	2	1,138,223.4			211		1,138,223.45	Transfer
22/09/2025	Water Plus	7	1,154.00	1,154.00		501			Castle St Toi Water - Aug 25
22/09/2025	Ludlow Town Council Payroll	12	10,034.44	10,034.44		501			Payroll - Aug 25
22/09/2025	Cheaper Waste Ltd	17	1,138.07	1,138.07		501			Mkt Waste Removal
23/09/2025	EE Ltd	23	370.94	370.94		501			Mobile Phone Charges
24/09/2025	SCG Together	8	33.02	33.02		501			Gh Telephone - Aug 25
24/09/2025	Allstar Business Solutions Ltd	1/8	86.99	86.99		501			EV Fuel

Continued on Page 11

Payments for Month 6					Nominal Ledger Analysis				
<u>Date</u>	<u>Payee Name</u>	<u>Reference</u>	<u>£ Total Amnt</u>	<u>£ Creditors</u>	<u>£ VAT</u>	<u>A/c</u>	<u>Centre</u>	<u>£ Amount</u>	<u>Transaction Detail</u>
25/09/2025	Water Plus	9	42.92	42.92		501			GH Water - Aug 25
25/09/2025	Ludlow Town Council Payroll	20	9,929.93	9,929.93		501			Payroll - Sept 25
25/09/2025	Ludlow Town Council Payroll	21	29,373.81	29,373.81		501			Payroll - Sept 25
26/09/2025	West Mercia Energy	10	487.64	487.64		501			Depot Electric - Jul 25
26/09/2025	Income Cashbook	Correction	578.00			205		578.00	Correction
29/09/2025	Water Plus	11	67.95	67.95		501			Mkt Water - Aug 25
29/09/2025	Waste Managed Ltd	18	62.67	62.67		501			Depot Waste Removal
29/09/2025	Siemens Financial Servcies Ltd	29	226.80	226.80		501			Photocopier Rental
30/09/2025	Ludlow Town Council Payroll	22	452.33	452.33		501			Payroll - Sept 25
Total Payments for Month			1,236,562.91	86,629.99	0.00			1,149,932.92	
Balance Carried Fwd			129,468.26						
Cashbook Totals			1,366,031.17	86,629.99	0.00			1,279,401.18	

Item 11b

Reconciliation – September 2025

<u>Bank Statement Account Name (s)</u>	<u>Statement Date</u>	<u>Page No</u>	<u>Balances</u>
60949167 - Savings Account	30/09/2025	6	128,332.26
60664030 - Current Account	30/09/2025	6	1,000.00
			<u>129,332.26</u>
<u>Unpresented Payments (Minus)</u>		<u>Amount</u>	
		0.00	
			<u>0.00</u>
			129,332.26
<u>Unpresented Receipts (Plus)</u>			
27/09/2025		4.00	
28/09/2025		64.00	
29/09/2025		28.00	
30/09/2025		40.00	
			<u>136.00</u>
			129,468.26
		Balance per Cash Book is :-	129,468.26
		Difference is :-	0.00

Signatory 1:

NameSignedDate

Signatory 2:

NameSignedDate

Item 11c

Barclaycard Payments, Income & Reconciliation – September 2025

Receipts for Month 6				Nominal Ledger Analysis				
<u>Receipt Ref</u>	<u>Name of Payer</u>	<u>£ Amnt Received</u>	<u>£ Debtors</u>	<u>£ VAT</u>	<u>A/c</u>	<u>Centre</u>	<u>£ Amount</u>	<u>Transaction Detail</u>
	Banked: 04/09/2025	9.97						
1	Electric Vehicle Charging	9.97			203		9.97	EV Closing Balance
	Banked: 15/09/2025	3,127.72						
19	Barclays Combined	3,127.72			201		3,127.72	Barclaycard
Total Receipts for Month		3,137.69	0.00	0.00			3,137.69	
Cashbook Totals		3,137.69	0.00	0.00			3,137.69	

Date: 19/11/2025

Ludlow Town Council Current Year - 2025-26

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Cashbook 5

User: LJ

Barclaycard

For Month No: 6

Payments for Month 6

Nominal Ledger Analysis

<u>Date</u>	<u>Payee Name</u>	<u>Reference</u>	<u>£ Total Amnt</u>	<u>£ Creditors</u>	<u>£ VAT</u>	<u>A/c</u>	<u>Centre</u>	<u>£ Amount</u>	<u>Transaction Detail</u>
Balance Brought Fwd :			39.28					39.28	
18/07/2025	Alfreshco	1	22.69		3.78	4319	500	18.91	White Chalk Spray
18/07/2025	SLCC	2	144.00			4009	101	144.00	FILCA Course - LJ
18/07/2025	Shropshire Council	3	80.00		13.33	4227	201	66.67	Parking Permits - 17/07/25
19/07/2025	Shropshire Council	4	80.00		13.33	4227	201	66.67	Parking Permits - 18/07/25
20/07/2025	Shropshire Council	5	80.00		13.33	4227	201	66.67	Parking Permits - 19/07/25
22/07/2025	Shropshire Council	6	80.00		13.33	4227	201	66.67	Parking Permits - 21/07/25
24/07/2025	Ayra Group Ltd	7	123.76		20.63	4320	500	103.13	Fuel - Plant
24/07/2025	Shropshire Council	8	80.00		13.33	4227	201	66.67	Parking Permits - 23/07/25
25/07/2025	Shropshire Council	10	80.00		13.33	4227	201	66.67	Parking Permits - 24/07/25
25/07/2025	Zapmap	9	45.96		7.66	4320	500	38.30	Fuel - EV
26/07/2025	Shropshire Council	11	80.00		13.33	4227	201	66.67	Parking Permits - 25/07/25
27/07/2025	Shropshire Council	12	80.00		13.33	4227	201	66.67	Parking Permits - 26/07/25
28/07/2025	Tesco	14	10.72			4091	110	10.72	Shaping Lives - Ingredients
28/07/2025	Shropshire Council	13	80.00		13.33	4227	201	66.67	Parking Permits - 27/07/25
29/07/2025	Shropshire Council	16	68.00		11.33	4227	201	56.67	Parking Permits - 28/07/25
31/07/2025	Shropshire Council	17	80.00		13.33	4227	201	66.67	Parking Permits - 30/07/25
01/08/2025	Shropshire Council	18	80.00		13.33	4227	201	66.67	Parking Permits - 31/07/25
02/08/2025	Shropshire Council	19	80.00		13.33	4227	201	66.67	Parking Permits - 01/08/25
03/08/2025	Shropshire Council	20	80.00		13.33	4227	201	66.67	Parking Permits - 02/08/25
05/08/2025	Shropshire Council	22	56.00		9.33	4227	201	46.67	Parking Permits - 04/08/25
05/08/2025	Zapmap	21	49.14		8.19	4320	500	40.95	Fuel - EV
06/08/2025	Amazon	24	22.98		3.83	4800	501	19.15	Handheld Flags - VJ Day
06/08/2025	Shropshire Council	25	84.00		14.00	4227	201	70.00	Parking Permits - 05/08/25
06/08/2025	Zapmap	23	28.42		4.74	4320	500	23.68	Fuel - EV
07/08/2025	Amazon	27	77.00		12.84	4222	303	64.16	Toilet Flush Push Button x2
07/08/2025	Amazon	28	63.00		10.50	4323	500	52.50	Litter Picker x4
07/08/2025	Shropshire Council	29	80.00		13.33	4227	201	66.67	Parking Permits - 06/08/25
07/08/2025	Amazon	26	12.40		2.07	4026	101	10.33	Easel Display Stand
07/08/2025	Amazon	26	45.84		7.62	4323	500	38.22	Torch x6
07/08/2025	Amazon	26	5.39		0.90	4210	105	4.49	Councillors Gloves
07/08/2025	Amazon	26	7.69			4210	105	7.69	Councillors Gloves
08/08/2025	Shropshire Council	30	80.00		13.33	4227	201	66.67	Parking Permits - 07/08/25

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Date: 19/11/2025

Ludlow Town Council Current Year - 2025-26

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Cashbook 5

User: LJ

Barclaycard

For Month No: 6

Payments for Month 6

Nominal Ledger Analysis

<u>Date</u>	<u>Payee Name</u>	<u>Reference</u>	<u>£ Total Amnt</u>	<u>£ Creditors</u>	<u>£ VAT</u>	<u>A/c</u>	<u>Centre</u>	<u>£ Amount</u>	<u>Transaction Detail</u>
09/08/2025	Shropshire Council	31	80.00		13.33	4227	201	66.67	Parking Permits - 08/08/25
10/08/2025	Shropshire Council	32	80.00		13.33	4227	201	66.67	Parking Permits - 09/08/25
11/08/2025	Shropshire Council	33	72.00		12.00	4227	201	60.00	Parking Permits - 10/08/25
12/08/2025	Shropshire Council	34	72.00		12.00	4227	201	60.00	Parking Permits - 11/08/25
12/08/2025	Adobe Systems Software Ireland	35	47.48			4023	101	47.48	Creative Cloud Subscription
13/08/2025	Shropshire Council	36	80.00		13.33	4227	201	66.67	Parking Permits - 12/08/25
14/08/2025	EGOTM Ludlow Services	37	93.01		15.50	4320	500	77.51	Fuel - LD23 TLT
14/08/2025	Amazon	38	14.98		2.50	4026	101	12.48	Laptop Charger
14/08/2025	Shropshire Council	39	80.00		13.33	4227	201	66.67	Parking Permits - 13/08/25
15/08/2025	Shropshire Council	42	80.00		13.33	4227	201	66.67	Parking Permits - 14/08/25
15/08/2025	uCheck	41	40.90		3.23	4009	101	37.67	DBS Check - Cowell
15/08/2025	Zapmap	40	23.69		3.95	4320	500	19.74	Fuel - EV
16/08/2025	Shropshire Council	44	80.00		13.33	4227	201	66.67	Parking Permits - 15/08/25
16/08/2025	Zoom Video Communications Inc.	43	15.59		2.60	4023	101	12.99	Zoom Monthly subscription
17/08/2025	Shropshire Council	45	80.00		13.33	4227	201	66.67	Parking Permits - 16/08/25
18/08/2025	uCheck	47	40.90		3.23	4009	101	37.67	DBS Check - Addis
18/08/2025	uCheck	46	40.90		3.23	4009	101	37.67	DBS Check - Maxwell-Muller
Total Payments for Month			3,088.44	0.00	468.92			2,619.52	
Balance Carried Fwd			9.97						
Cashbook Totals			3,137.69	0.00	468.92			2,668.77	

<u>Bank Statement Account Name (s)</u>	<u>Statement Date</u>	<u>Page No</u>	<u>Balances</u>
Barclaycard	30/09/2025	6	0.00
			<u>0.00</u>
<u>Unpresented Payments (Minus)</u>		<u>Amount</u>	
		0.00	
			<u>0.00</u>
			0.00
<u>Unpresented Receipts (Plus)</u>			
04/09/2025 1		9.97	
			<u>9.97</u>
			9.97
		Balance per Cash Book is :-	9.97
		Difference is :-	0.00

Signatory 1:

NameSignedDate

Signatory 2:

NameSignedDate

Item 11d

PayPal Payments, Income & Reconciliation – September 2025

Receipts for Month 6				Nominal Ledger Analysis				
<u>Receipt Ref</u>	<u>Name of Payer</u>	<u>£ Amnt Received</u>	<u>£ Debtors</u>	<u>£ VAT</u>	<u>A/c</u>	<u>Centre</u>	<u>£ Amount</u>	<u>Transaction Detail</u>
	Balance Brought Fwd :	300.00					300.00	
	Banked:	0.00						
			0.00				0.00	
Total Receipts for Month		0.00	0.00	0.00			0.00	
Cashbook Totals		<u>300.00</u>	<u>0.00</u>	<u>0.00</u>			<u>300.00</u>	

Payments for Month 6				Nominal Ledger Analysis					
<u>Date</u>	<u>Payee Name</u>	<u>Reference</u>	<u>£ Total Amnt</u>	<u>£ Creditors</u>	<u>£ VAT</u>	<u>A/c</u>	<u>Centre</u>	<u>£ Amount</u>	<u>Transaction Detail</u>
17/09/2025	Barclays Combined	300	300.00			201		300.00	PayPal
Total Payments for Month			300.00	0.00	0.00			300.00	
Balance Carried Fwd			0.00						
Cashbook Totals			300.00	0.00	0.00			300.00	

<u>Bank Statement Account Name (s)</u>	<u>Statement Date</u>	<u>Page No</u>	<u>Balances</u>
PayPal	30/09/2025	6	0.00
			0.00
<u>Unpresented Payments (Minus)</u>		<u>Amount</u>	
		0.00	
			0.00
			0.00
<u>Unpresented Receipts (Plus)</u>			
		0.00	
			0.00
			0.00
		Balance per Cash Book is :-	0.00
		Difference is :-	0.00

Signatory 1:

NameSignedDate

Signatory 2:

NameSignedDate

Item 11e

Petty Cash Payments, Income & Reconciliation – September 2025

Receipts for Month 6				Nominal Ledger Analysis				
<u>Receipt Ref</u>	<u>Name of Payer</u>	<u>£ Amnt Received</u>	<u>£ Debtors</u>	<u>£ VAT</u>	<u>A/c</u>	<u>Centre</u>	<u>£ Amount</u>	<u>Transaction Detail</u>
Balance Brought Fwd :		57.66					57.66	
Banked: 18/09/2025		197.24						
1	Income Cashbook	197.24			205		197.24	Petty Cash Restore
Total Receipts for Month		197.24	0.00	0.00			197.24	
Cashbook Totals		254.90	0.00	0.00			254.90	

Payments for Month 6				Nominal Ledger Analysis					
Date	Payee Name	Reference	£ Total Amnt	£ Creditors	£ VAT	A/c	Centre	£ Amount	Transaction Detail
11/09/2025	Spar	25	2.30			4032	101	2.30	Newspapers
12/09/2025	Taste	26	5.10		0.85	4222	119	4.25	BX Volunteer Refreshments
12/09/2025	Taste	27	3.10		0.52	4222	119	2.58	BX Volunteer Refreshments
12/09/2025	Taste	28	3.10		0.52	4222	119	2.58	BX Volunteer Refreshments
12/09/2025	Taste	29	6.70		1.12	4222	119	5.58	BX Volunteer Refreshments
12/09/2025	Taste	30	3.10		0.52	4222	119	2.58	BX Volunteer Refreshments
12/09/2025	Taste	31	3.10		0.52	4222	119	2.58	BX Volunteer Refreshments
12/09/2025	Taste	32	3.10		0.52	4222	119	2.58	BX Volunteer Refreshments
12/09/2025	Taste	33	3.10		0.52	4222	119	2.58	BX Volunteer Refreshments
12/09/2025	Taste	34	3.10		0.52	4222	119	2.58	BX Volunteer Refreshments
12/09/2025	Taste	35	3.10		0.52	4222	119	2.58	BX Volunteer Refreshments
12/09/2025	Taste	36	3.10		0.52	4222	119	2.58	BX Volunteer Refreshments
12/09/2025	Taste	37	3.10		0.52	4222	119	2.58	BX Volunteer Refreshments
12/09/2025	Taste	38	3.60		0.60	4222	119	3.00	BX Volunteer Refreshments
12/09/2025	Taste	39	3.10		0.52	4222	119	2.58	BX Volunteer Refreshments
12/09/2025	Taste	40	3.10		0.52	4222	119	2.58	BX Volunteer Refreshments
18/09/2025	Taste	1	3.10		0.52	4222	119	2.58	BX Volunteer Refreshments
18/09/2025	Taste	2	3.10		0.52	4222	119	2.58	BX Volunteer Refreshments
18/09/2025	Taste	3	3.10		0.52	4222	119	2.58	BX Volunteer Refreshments
18/09/2025	Taste	4	6.70		1.12	4222	119	5.58	BX Volunteer Refreshments
18/09/2025	Spar	5	2.30			4032	101	2.30	Newspapers
18/09/2025	Taste	6	3.10			4222	119	3.10	BX Volunteer Refreshments
18/09/2025	Spar	7	0.55		0.09	4222	119	0.46	BX Cleaning Supplies
22/09/2025	Spar	8	2.30			4032	101	2.30	Newspapers
24/09/2025	Savers	9	1.88		0.31	4222	119	1.57	BX Cleaning Supplies
29/09/2025	Spar	10	2.30			4032	101	2.30	Newspapers
Total Payments for Month			83.33	0.00	11.89			71.44	
Balance Carried Fwd			171.57						
Cashbook Totals			254.90	0.00	11.89			243.01	

Bank Reconciliation Statement as at 30/09/2025
for Cashbook 3 - Petty Cash

<u>Bank Statement Account Name (s)</u>	<u>Statement Date</u>	<u>Page No</u>	<u>Balances</u>
Petty Cash	30/09/2025	6	171.57
			<u>171.57</u>
<u>Unpresented Payments (Minus)</u>		<u>Amount</u>	
		0.00	
			<u>0.00</u>
			171.57
<u>Unpresented Receipts (Plus)</u>			
		0.00	
			<u>0.00</u>
			171.57
		Balance per Cash Book is :-	171.57
		Difference is :-	0.00

Signatory 1:

NameSignedDate

Signatory 2:

NameSignedDate

Item 11f

Public Sector Deposit Fund Payments, Income & Reconciliation – September 2025

Receipts for Month 6				Nominal Ledger Analysis			
<u>Receipt Ref</u>	<u>Name of Payer</u>	<u>£ Amnt Received</u>	<u>£ Debtors</u>	<u>£ VAT</u>	<u>A/c</u>	<u>Centre</u>	<u>£ Amount</u> <u>Transaction Detail</u>
Balance Brought Fwd :		850,575.12					850,575.12
Banked: 02/09/2025		2,962.37					
CCLA - PSDF		2,962.37			1196	101	2,962.37 Income Reinvestment
Banked: 19/09/2025		1,138,223.45					
2	Barclays Combined	1,138,223.45			201		1,138,223.45 Transfer
Total Receipts for Month		1,141,185.82	0.00	0.00			1,141,185.82
Cashbook Totals		1,991,760.94	0.00	0.00			1,991,760.94

Payments for Month 6				Nominal Ledger Analysis					
<u>Date</u>	<u>Payee Name</u>	<u>Reference</u>	<u>£ Total Amnt</u>	<u>£ Creditors</u>	<u>£ VAT</u>	<u>A/c</u>	<u>Centre</u>	<u>£ Amount</u>	<u>Transaction Detail</u>
			0.00						
Total Payments for Month			0.00	0.00	0.00			0.00	
Balance Carried Fwd			1,991,760.94						
Cashbook Totals			1,991,760.94	0.00	0.00			1,991,760.94	

<u>Bank Statement Account Name (s)</u>	<u>Statement Date</u>	<u>Page No</u>	<u>Balances</u>
Public Sector Deposit Fund	30/09/2025	6	1,991,760.94
			<u>1,991,760.94</u>
<u>Unpresented Payments (Minus)</u>		<u>Amount</u>	
		0.00	
			<u>0.00</u>
			1,991,760.94
<u>Unpresented Receipts (Plus)</u>			
		0.00	
			<u>0.00</u>
			1,991,760.94
		Balance per Cash Book is :-	1,991,760.94
		Difference is :-	0.00

Signatory 1:

NameSignedDate

Signatory 2:

NameSignedDate

Item 11g

Income Payments, Income & Reconciliation – September 2025

Receipts for Month 6

Nominal Ledger Analysis

Receipt Ref	Name of Payer	£ Amnt Received	£ Debtors	£ VAT	A/c	Centre	£ Amount	Transaction Detail
	Balance Brought Fwd :	28.62					28.62	
	Banked: 04/09/2025	4,289.00						
1	Barclays Combined	4,289.00			201		4,289.00	Income Correction
	Banked: 11/09/2025	2,601.25						
	Toilet Coin Boxes	128.25		21.38	1174	303	106.87	Toilet Coin Boxes - 10/09/25
	C Simmons	40.00			1018	101	40.00	Street Trading Permit No. 907
	Linney Parking Meter	130.00		21.67	1075	411	108.33	Linney Parking Meter 11/09/25
	Market Rents	120.00			1038	201	120.00	Market Rents - 04/09/25 F&C
	Electricity	4.00		0.67	1022	201	3.33	Electricity - 11/09/25
	Parking Permits	64.00		10.67	1040	201	53.33	Parking Permits - 11/09/25
	Market Rents	728.00			1020	201	728.00	Market Rents - 05/09/25
	BX Market Rents	38.00			1003	201	38.00	BX Market Rents - 05/09/25
	Electricity	22.00		3.67	1022	201	18.33	Electricity - 05/09/25
	Parking Permits	80.00		13.33	1040	201	66.67	Parking Permits - 05/09/25
	Market Rents	161.50			1020	201	161.50	Market Rents - 10/09/25
	Electricity	16.50		2.75	1022	201	13.75	Electricity - 10/09/25
	Parking Permits	68.00		11.33	1040	201	56.67	Parking Permits - 10/09/25
	Market Rents	218.00			1020	201	218.00	Market Rents - 08/09/25
	Electricity	18.00		3.00	1022	201	15.00	Electricity - 08/09/25
	Parking Permits	56.00		9.33	1040	201	46.67	Parking Permits - 08/09/25
	Market Rents	546.00			1020	201	546.00	Market Rents - 06/09/25
	BX Market Rents	20.00			1003	201	20.00	BX Market Rents - 06/09/25
	Electricity	23.00		3.83	1022	201	19.17	Electricity - 06/09/25
	Parking Permits	80.00		13.33	1040	201	66.67	Parking Permits - 06/09/25
	G Hemming	40.00			1037	201	40.00	Market Rents - Food Fest
	Banked: 18/09/2025	2,203.10						
	Market Rents	354.00			1020	201	354.00	Market Rents - 12/09/25
	BX Market Rents	38.00			1003	201	38.00	BX Market Rents - 12/09/25
	Electricity	18.00		3.00	1022	201	15.00	Electricity - 12/09/25
	Parking Permits	80.00		13.33	1040	201	66.67	Parking Permits - 12/09/25
	Market Rents	690.25			1020	201	690.25	Market Rents - 13/09/25
	BX Market Rents	40.00			1003	201	40.00	BX Market Rents - 13/09/25
	Electricity	19.00		3.17	1022	201	15.83	Electricity - 13/09/25
	Parking Permits	80.00		13.33	1040	201	66.67	Parking Permits - 13/09/25
	Market Rents	145.50			1037	201	145.50	Market Rents - 14/09/25 C&C
	Electricity	13.00		2.17	1022	201	10.83	Electricity - 14/09/25
	Parking Permits	80.00		13.33	1040	201	66.67	Parking Permits - 14/09/25
	Market Rents	96.50			1020	201	96.50	Market Rents - 15/09/25
	Electricity	13.00		2.17	1022	201	10.83	Electricity - 15/09/25
	Parking Permits	8.00		1.33	1040	201	6.67	Parking Permits - 15/09/25
	Toilet Coin Boxes	121.80		20.30	1174	303	101.50	Toilet Coin Boxes - 17/09/25
	Linney Parking Meter	126.00		21.00	1075	411	105.00	Linney Parking Meter 17/09/25
	BX Museum Tickets	21.60			1006	119	21.60	BX Museum Tickets - 29/08/25
	BX Museum Sales	5.50		0.92	1008	119	4.58	BX Museum Sales - 30/08/25
	BX Museum Tickets	24.80			1006	119	24.80	BX Museum Tickets - 30/08/25
	BX Museum Sales	8.20		0.86	1008	119	7.34	BX Museum Sales - 31/08/25
	BX Museum Donations	10.40			1007	119	10.40	BX Museum Donations - 31/08/25
	BX Museum Tickets	11.40			1006	119	11.40	BX Museum Tickets - 31/08/25
	BX Museum Sales	1.50		0.25	1008	119	1.25	BX Museum Sales - 05/09/25

Receipts for Month 6

Nominal Ledger Analysis

<u>Receipt Ref</u>	<u>Name of Payer</u>	<u>£ Amnt Received</u>	<u>£ Debtors</u>	<u>£ VAT</u>	<u>A/c</u>	<u>Centre</u>	<u>£ Amount</u>	<u>Transaction Detail</u>
	BX Museum Tickets	15.60			1006	119	15.60	BX Museum Tickets - 05/09/25
	BX Museum Donations	1.00			1007	119	1.00	BX Museum Donations - 06/09/25
	BX Museum Sales	17.50		2.92	1008	119	14.58	BX Museum Sales - 06/09/25
	BX Museum Tickets	18.80			1006	119	18.80	BX Museum Tickets - 06/09/25
	BX Museum Donations	6.00			1007	119	6.00	BX Museum Donations - 07/09/25
	BX Museum Sales	22.05		3.17	1008	119	18.88	BX Museum Sales - 07/09/25
	BX Museum Tickets	24.40			1006	119	24.40	BX Museum Tickets - 07/09/25
	BX Museum Sales	12.95		1.66	1008	119	11.29	BX Museum Sales - 12/09/25
	BX Museum Tickets	26.25			1006	119	26.25	BX Museum Tickets - 12/09/25
	BX Museum Donations	0.20			1007	119	0.20	BX Museum Donations - 13/09/25
	BX Museum Sales	14.00		1.83	1008	119	12.17	BX Museum Sales - 13/09/25
	BX Museum Tickets	15.80			1006	119	15.80	BX Museum Tickets - 13/09/25
	BX Museum Sales	0.50		0.08	1008	119	0.42	BX Museum Sales - 14/09/25
	BX Museum Tickets	21.60			1006	119	21.60	BX Museum Tickets - 14/09/25
	Banked: 25/09/2025	2,291.90						
	Market Rents	206.00			1020	201	206.00	Market Rents - 24/09/25
	Electricity	14.00		2.33	1022	201	11.67	Electricity - 24/09/25
	Parking Permits	80.00		13.33	1040	201	66.67	Parking Permits - 24/09/25
	Toilet Coin Boxes	126.80		21.13	1174	303	105.67	Toilet Coin Boxes - 24/09/25
	W Woodward	98.00			1037	201	49.00	Market Rents - Winter Fest
					1037	201	49.00	Market Rents - Xmas
	Market Rents	439.00			1020	201	439.00	Market Rents - 20/09/25
	BX Market Rents	40.00			1003	201	40.00	BX Market Rents - 20/09/25
	Electricity	12.50		2.08	1022	201	10.42	Electricity - 20/09/25
	Parking Permits	80.00		13.33	1040	201	66.67	Parking Permits - 20/09/25
	Market Rents	109.00			1028	201	109.00	Market Rents - 18/09/25 Mayors
	Electricity	8.00		1.33	1022	201	6.67	Electricity - 18/09/25
	Parking Permits	60.00		10.00	1040	201	50.00	Parking Permits - 18/09/25
	Market Rents	293.00			1020	201	293.00	Market Rents - 19/09/25
	BX Market Rents	38.00			1003	201	38.00	BX Market Rents - 19/09/25
	Electricity	11.00		1.83	1022	201	9.17	Electricity - 19/09/25
	Parking Permits	80.00		13.33	1040	201	66.67	Parking Permits - 19/09/25
	Market Rents	118.50			1020	201	118.50	Market Rents - 17/09/25
	Electricity	16.50		2.75	1022	201	13.75	Electricity - 17/09/25
	Parking Permits	64.00		10.67	1040	201	53.33	Parking Permits - 17/09/25
	BX Museum Sales	7.50		0.25	1008	119	7.25	BX Museum Sales - 19/09/25
	BX Museum Tickets	25.80			1006	119	25.80	BX Museum Tickets - 19/09/25
	BX Museum Donations	1.60			1007	119	1.60	BX Museum Donations - 20/09/25
	BX Museum Sales	4.40		0.73	1008	119	3.67	BX Museum Sales - 20/09/25
	BX Museum Tickets	54.00			1006	119	54.00	BX Museum Tickets - 20/09/25
	BX Museum Sales	7.50		0.75	1008	119	6.75	BX Museum Sales - 21/09/25
	BX Museum Tickets	7.80			1006	119	7.80	BX Museum Tickets - 21/09/25
	Market Rents	213.00			1020	201	213.00	Market Rents - 22/09/25
	Electricity	8.00		1.33	1022	201	6.67	Electricity - 22/09/25
	Parking Permits	68.00		11.33	1040	201	56.67	Parking Permits - 22/09/25
	Banked: 26/09/2025	578.00						
Correction	Barclays Combined	578.00			201		578.00	Correction
	Banked: 29/09/2025	1,531.25						

Date: 19/11/2025

Ludlow Town Council Current Year - 2025-26

Page: 3

Time: 10:46

Cashbook 6

User: LJ

Income Cashbook

For Month No: 6

Receipts for Month 6

Nominal Ledger Analysis

<u>Receipt Ref</u>	<u>Name of Payer</u>	<u>£ Amnt Received</u>	<u>£ Debtors</u>	<u>£ VAT</u>	<u>A/c</u>	<u>Centre</u>	<u>£ Amount</u>	<u>Transaction Detail</u>
	G Hemming	155.00			1038	201	54.00	Market Rents - F&C
					1038	201	18.00	Market Rents - Halloween
					1037	201	23.50	Market Rents - C&C
					1037	201	23.50	Market Rents - Winter Fest
					1038	201	36.00	Market Rents - Xmas
	Market Rents	41.00			1037	201	41.00	Market Rents - 28/09/25 C&C
	Electricity	12.00		2.00	1022	201	10.00	Electricity - 28/09/25
	Parking Permits	80.00		13.33	1040	201	66.67	Parking Permits - 28/09/25
	Market Rents	563.75			1020	201	563.75	Market Rents - 27/09/25
	BX Market Rents	40.00			1003	201	40.00	BX Market Rents - 27/09/25
	Electricity	22.50		3.75	1022	201	18.75	Electricity - 27/09/25
	Parking Permits	80.00		13.33	1040	201	66.67	Parking Permits - 27/09/25
	Linney Parking Meter	116.00		19.33	1075	411	96.67	Linney Parking Meter 25/09/25
	Market Rents	276.50			1020	201	276.50	Market Rents - 26/09/25
	BX Market Rents	38.00			1003	201	38.00	BX Market Rents - 26/09/25
	Electricity	26.50		4.42	1022	201	22.08	Electricity - 26/09/25
	Parking Permits	80.00		13.33	1040	201	66.67	Parking Permits - 26/09/25
Total Receipts for Month		13,494.50	0.00	395.77			13,098.73	
Cashbook Totals		13,523.12	0.00	395.77			13,127.35	

Continued on Page 4

Payments for Month 6				Nominal Ledger Analysis					
<u>Date</u>	<u>Payee Name</u>	<u>Reference</u>	<u>£ Total Amnt</u>	<u>£ Creditors</u>	<u>£ VAT</u>	<u>A/c</u>	<u>Centre</u>	<u>£ Amount</u>	<u>Transaction Detail</u>
04/09/2025	Barclays Combined	2	2,275.00			201		2,275.00	Income
05/09/2025	Barclays Combined	3	1,820.50			201		1,820.50	Income
11/09/2025	Barclays Combined	3	2,615.00			201		2,615.00	Income
18/09/2025	Barclays Combined	4	1,965.00			201		1,965.00	Income
18/09/2025	Barclays Combined	8	40.00			201		40.00	Income
18/09/2025	Petty Cash	1	197.24			220		197.24	Petty Cash Restore
25/09/2025	Barclays Combined	5	2,280.00			201		2,280.00	Income
26/09/2025	Barclays Combined	6	578.00			201		578.00	Income
26/09/2025	Barclays Combined	9	98.00			201		98.00	Income
29/09/2025	Barclays Combined	7	1,610.00			201		1,610.00	Income
Total Payments for Month			13,478.74	0.00	0.00			13,478.74	
Balance Carried Fwd			44.38						
Cashbook Totals			13,523.12	0.00	0.00			13,523.12	

<u>Bank Statement Account Name (s)</u>	<u>Statement Date</u>	<u>Page No</u>	<u>Balances</u>
Income Cashbook	30/09/2025	6	44.38
			<u>44.38</u>
<u>Unpresented Payments (Minus)</u>		<u>Amount</u>	
		0.00	
			<u>0.00</u>
			44.38
<u>Unpresented Receipts (Plus)</u>			
		0.00	
			<u>0.00</u>
			44.38
		Balance per Cash Book is :-	44.38
		Difference is :-	0.00

Signatory 1:

NameSignedDate

Signatory 2:

NameSignedDate

Item 11h

Electric Vehicle Charging Payments, Income & Reconciliation – September 2025

Receipts for Month 6				Nominal Ledger Analysis				
<u>Receipt Ref</u>	<u>Name of Payer</u>	<u>£ Amnt Received</u>	<u>£ Debtors</u>	<u>£ VAT</u>	<u>A/c</u>	<u>Centre</u>	<u>£ Amount</u>	<u>Transaction Detail</u>
	Balance Brought Fwd :	9.97					9.97	
	Banked:	0.00						
		0.00					0.00	
Total Receipts for Month		0.00	0.00	0.00			0.00	
Cashbook Totals		<u>9.97</u>	<u>0.00</u>	<u>0.00</u>			<u>9.97</u>	

Payments for Month 6				Nominal Ledger Analysis					
<u>Date</u>	<u>Payee Name</u>	<u>Reference</u>	<u>£ Total Amnt</u>	<u>£ Creditors</u>	<u>£ VAT</u>	<u>A/c</u>	<u>Centre</u>	<u>£ Amount</u>	<u>Transaction Detail</u>
04/09/2025	Barclaycard	1	9.97			204		9.97	EV Closing Balance
Total Payments for Month			9.97	0.00	0.00			9.97	
Balance Carried Fwd			0.00						
Cashbook Totals			9.97	0.00	0.00			9.97	

Bank Reconciliation Statement as at 30/09/2025
for Cashbook 7 - Electric Vehicle Charging

<u>Bank Statement Account Name (s)</u>	<u>Statement Date</u>	<u>Page No</u>	<u>Balances</u>
Clenergy EV Balance	30/09/2025	6	0.00
			0.00
<u>Unpresented Payments (Minus)</u>		<u>Amount</u>	
		0.00	
			0.00
			0.00
<u>Unpresented Receipts (Plus)</u>			
		0.00	
			0.00
			0.00
		Balance per Cash Book is :-	0.00
		Difference is :-	0.00

Signatory 1:

NameSignedDate

Signatory 2:

NameSignedDate

Item 12

Close Cashbooks



CLOSE CASHBOOKS

Report No. PF/25

**Policy & Finance Committee
24th November 2025**

1. INTRODUCTION

- 1.1 This report is to inform the Committee that the PayPal and Electric Vehicle cashbooks are now defunct and can be closed.

2. RECOMMENDATIONS

- That:-
- 2.1 the PayPal Cashbook be closed; and
- 2.2 the Electric Vehicle Cashbook be closed.

3. BACKGROUND

- 3.1 The cash book were necessary for the following reasons:

PayPal

The PayPal account was solely used in conjunction with the Market Website to collect market fees for Specialist Market online bookings. A balance of £300.00 was maintained on the account to allow for refunds.

Electric Vehicles

When the Council first purchased the electric vans one of the two apps used to charge the vehicles was a prepayment app (Clenergy). This meant that a sum had to be paid into the account before charging which often left a balance on the app, that needed to be reconciled through a cashbook.

4. CURRENT SITUATION

- 4.1 As described below, more efficient ways of processing payments have been set up, so the cash books are no longer needed and can both be closed.

PayPal

The new Market website launched this summer using the Stripe payment system, this does not require a balance to be kept on the account. The PayPal account is no longer used, and the £300.00 balance has been withdrawn and returned to general funds (Appendix 1).

Electric Vehicles

The Council now uses an Allstar fuel card account that takes payment by direct debit with no need for an account balance. Therefore, the Clenergy App balance has been returned to zero and the account closed (Appendix 2).

Senior Finance Assistant
November 2025

Implications

Wards Affected (All)

Financial (None)

Health & Safety (None)

Law & Order (None)

Environmental Implications (None)



Merchant Account ID: HBWVE82ZXT7XE

PayPal ID: info@ludlowmarket.co.uk

01/10/2025 - 31/10/2025

Statement for October 2025

Ludlow Town Council
The Guildhall, Mill Street
SY8 1AZ LUDLOW

Balance Summary (01/10/2025 - 31/10/2025)

	Available Start	Available End	Withheld Start	Withheld End
GBP	0.00	0.00	0.00	0.00



Merchant Account ID: HBWVE82ZXT7XE

PayPal ID: info@ludlowmarket.co.uk

01/10/2025 - 31/10/2025

-- There are no transactions for this month --

Any information provided is general only and does not take into account your financial situation or needs.

PayPal UK Ltd. Whittaker House, Whittaker Avenue, Richmond-Upon-Thames, Surrey, United Kingdom, TW9 1EH.

For more information, or to contact us, visit www.paypal.co.uk.

Call us on 0800 358 791. Opening hours: 8am to 10pm Monday to Friday; 8am to 9pm Saturday; 9am to 9pm Sunday. For claims or limitations, hours of operation are: 8am to 8.30pm Monday to Friday; 8am to 6.30pm Saturday; 9am to 6.30pm Sunday. Freephone from a UK landline. However, costs may apply from a mobile and are dependent on the terms of agreement with your network provider. If you are calling from outside the United Kingdom, use the following phone number: 00353 1 436 9004 (international call charges may apply).

To: townclerk@ludlow.gov.uk

Subject: Re: Account Deletion Request

Hi there,

We have successfully deleted your account and erased all associated data from our system as per your request. Additionally, any remaining credit has been refunded to you, and you will receive a receipt for this transaction in a separate email.

If there is anything else we can help you with please let us know.

Kind Regards,

Clenergy EV Support

T: 0800 047 8082

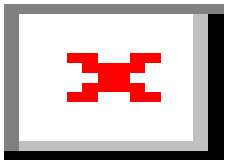
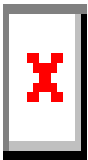
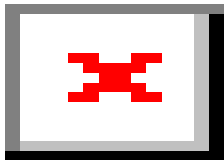
E: info@clenergy-ev.com

W: www.clenergy-ev.com

On Thu, Sep 4, 2025 at 2:12 PM, Clenergy Accounts <admin@clenergy.online> wrote:

There has been a new account deletion request for user HRCODE: 884178 please investigate further.

To: townclerk@ludlow.gov.uk
Subject: Your Clenergy EV Ltd refund [#3008-7686]



Refund from Clenergy EV Ltd

Receipt #3008-7686

REFUNDED	DATE ISSUED	REFUNDED
TO	Sep 4, 2025, 2:41:57 PM	TO
£9.97		 - 6270

This email is to confirm that your refund has been issued by [Clenergy EV Ltd](#). It can take approximately 10 days to appear on your statement. If it takes longer please contact your bank for assistance.

SUMMARY

Payment to Clenergy EV Ltd	£25.00
Total	£25.00
Refunded on Sep 4, 2025, 2:41:57 PM	£9.97
Adjusted total	£15.03

Item 13a
Aged Debtors

Outstanding Balances by Month as at 01/10/2025

A/C Code	Customer Name	Balance	Oct 2025	Sep 2025	Aug 2025	Prior Months	On A/c Pymnts
Ledger No 1: Sales Ledger							
CEMALBJ00	CEMALBJ001	654.00	654.00	0.00	0.00	0.00	0.00
FS001	FUTURE	1,086.36	0.00	0.00	0.00	1,086.36	0.00
PET001	PRODUCE	899.00	0.00	899.00	0.00	0.00	0.00
SCPARKS	SC	201.60	0.00	0.00	0.00	201.60	0.00
VIC001	VIC	70.00	70.00	0.00	0.00	0.00	0.00
Total Sales Ledger No 1		2,910.96	724.00	899.00	0.00	1,287.96	0.00
TOTAL SALES LEDGER BALANCES		2,910.96	724.00	899.00	0.00	1,287.96	0.00

Item 13b
Aged Debtors - Report

Debtor	Invoice Date	Invoice No.	Invoice Amount	Description	Action Taken	Date
Mr Alban-Davies	31/10/2025	CEM122	£654.00	Cem Fee - K/7/1725		
Ludlow Chamber of Trade and Commerce	05/09/2025	1204	£914.00	Whole Market Let - August Makers Markets	Paid	13/10/2025
Futuresound	22/01/2025	1146	£1,086.36	Use of Castle Square		
Local to Ludlow Produce Market	05/09/2025	1201	£899.00	Whole Market Let - September 2025		
Shropshire Council	17/01/2019	801	£201.60	Play Area Transfer - Legal Fees		
Visitor Information Centre	30/10/2025	1206	£70.00	Town Trails		
Victoria Allen Funeral Services	31/10/2025	CEM123	£289.00	Cem Fee - I/3/594	Paid	02/10/2025
	31/10/2025	CEM124	£1,010.00	Cem Fee - H/8/325	Paid	16/10/2025
	31/10/2025	CEM125	£289.00	Cem Fee - K/7/1725	Paid	16/10/2025

Item 14
Policy Review
Corporate Governance

POLICY:	CORPORATE GOVERNANCE POLICY (Simplified Version)
Policy number:	LTC / CG / 25 / v.2
Available to:	All Staff, Councillors & Public (upon request)
Supersedes Version:	Local Code of Corporate Governance – 20 th January 2016
Approved by:	Provisional – FC on 1 st December 2025
Approval date:	Provisional 1 st December 2025
Review due:	31 st December 2026.

1. Description

Ludlow Town Council adopts the national CIPFA/SOLACE Framework for Good Governance. This Local Code outlines the principles, systems, and processes the Council uses to uphold high standards in decision-making, service delivery, and accountability.

2. Purpose of this policy

The purpose of this Corporate Governance Policy is to establish a clear framework for how the Town Council is directed, managed, and held accountable. It ensures that the council operates with integrity, transparency, and efficiency in serving the community. Specifically, the policy aims to:

- Promote ethical behaviour, responsible leadership, and sound decision-making.
- Clarify roles, responsibilities, and delegations across councillors, committees, and staff.
- Strengthen accountability and transparency in all council activities and use of public resources.
- Support effective planning, financial stewardship, and risk management.
- Build public trust by ensuring governance practices that are consistent, fair, and compliant with legislation.

3. Scope

A Corporate Governance Policy for a town council defines how the council is directed, managed, and held accountable.

4. What is Corporate Governance?

Corporate governance is the system by which the Council:

- Acts openly, honestly and responsibly;
- Makes decisions in the public interest;
- Ensures strong leadership, clear processes and effective controls;
- Builds public confidence through transparency, accountability and ethical conduct.

5. Governance Principles and Council Commitments

The Council follows the six core principles in the CIPFA/SOLACE Framework.

Principle 1: Purpose, Vision and Community Outcomes

The Council will:

- Set and communicate a clear vision, purpose and priorities.
- Publish agendas, minutes and information openly unless confidentiality is required.
- Consult residents and stakeholders through clear communication channels.
- Allocate resources in line with priorities.
- Measure and report service quality, value for money and performance.
- Maintain effective internal and external audit arrangements.
- Work with local partners and address poor performance.

Principle 2: Members and Officers Working Together Effectively

The Council will:

- Clearly define roles for councillors, committees and officers.
- Maintain up-to-date delegation schemes and job descriptions.
- Ensure councillors understand their responsibilities.
- Maintain constructive working relationships through protocols and codes of conduct.
- Hold registers of interests, gifts and hospitality.
- Ensure the Town Clerk and Responsible Financial Officer meet statutory and managerial duties.
- Build strong partnerships and set clear expectations with external bodies.
- Provide accessible information to residents and partners through meetings and the Council website.

Principle 3: Upholding High Standards of Conduct and Behaviour

The Council will:



- Promote openness, respect and ethical behaviour.
- Uphold codes of conduct for councillors and staff.
- Ensure interests are declared and managed properly.
- Maintain a whistleblowing policy.
- Embed shared values across the organisation.
- Review governance arrangements annually.
- Maintain an effective complaints process.
- Publish an Annual Governance Statement.

Principle 4: Informed, Transparent Decisions and Effective Risk Management

The Council will:

- Maintain clear and accountable democratic decision-making processes.
- Respond to audit recommendations.
- Maintain a clear and accessible complaints system.
- Publicise decisions and proposals to encourage engagement.
- Provide clear, timely information and professional advice to decision-makers.
- Allow public questions at meetings and consider consultation outcomes.
- Embed risk management across the organisation.
- Maintain internal audit, health and safety policies, and adequate insurance.
- Ensure all actions comply with legislation and principles of fairness and reasonableness.

Principle 5: Developing Capacity and Capability

The Council will:

- Provide induction and ongoing training for members and staff.
- Ensure officers have the skills and resources needed to work effectively.
- Maintain strong HR and equality policies.
- Assess skills and performance regularly and identify training needs.
- Encourage people from all backgrounds to engage with the Council or stand for election.
- Publish information about councillor roles and responsibilities.

Principle 6: Engaging With the Community and Ensuring Accountability

The Council will:

- Be clear about accountability for decisions and actions.
- Explain how residents can participate in decisions or hold the Council to account.
- Welcome complaints and feedback as opportunities to improve.
- Hold meetings in public unless confidentiality is required.
- Provide speaking opportunities at council meetings and the Annual Town Meeting.



- Publish annual information on vision, activities, achievements and finances.
- Consult and involve staff in decision-making and support their development.

6. Annual Review and Reporting

- Governance arrangements will be continually monitored and updated.
- A formal annual review will be carried out using CIPFA/SOLACE guidance.
- An Annual Governance Statement will be prepared each year and considered by the Policy and Finance Committee and then Full Council.
- This review meets the legal requirements of the Accounts and Audit Regulations.

Key publications:

- Delivering Good Governance in Local Government: Framework (2016 Edition)
- Delivering Good Governance in Local Government: Guidance Notes (2016)
- CIPFA and SOLACE 2025 Addendum to the Framework

5. Legal

Local Audit and Accountability Act 2014.
Accounts and Audit Regulations 2015.
Local Audit (Public Access to Documents) Act 2017.
Local Government Transparency Code 2015.

6. Other relevant policies

Financial Regulations
Standing Orders
Internal Control Policy
Risk Management Policy
Investment Policy
Community Engagement Protocol

delivering good governance

in Local Government
Guidance Notes for English Authorities
2016 Edition



CIPFA, the Chartered Institute of Public Finance and Accountancy, is the professional body for people in public finance. Our 14,000 members work throughout the public services, in national audit agencies, in major accountancy firms, and in other bodies where public money needs to be effectively and efficiently managed. As the world's only professional accountancy body to specialise in public services, CIPFA's qualifications are the foundation for a career in public finance. We also champion high performance in public services, translating our experience and insight into clear advice and practical services. Globally, CIPFA shows the way in public finance by standing up for sound public financial management and good governance.

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Solace, the Society of Local Authority Chief Executives and Senior Managers, is the representative body for senior strategic managers working in the public sector. We are committed to public sector excellence. We provide our members with opportunities for personal and professional development and seek to influence the debate about the future of public services to ensure that policy and legislation reflect the experience and expertise of our members.



delivering good governance

in Local Government
Guidance Notes for English Authorities
2016 Edition

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Published by:

CIPFA \ THE CHARTERED INSTITUTE OF PUBLIC FINANCE AND ACCOUNTANCY

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© April 2016 CIPFA

ISBN 978 1 84508 455 4

Designed and typeset by Ministry of Design, Bath
(www.ministryofdesign.co.uk)

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Acknowledgements

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CIPFA and Solace are grateful to the following members of the Joint Working Group for their time and assistance in preparing this document.

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CIPFA would like to thank the authorities that have kindly supplied us with case study material.

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Preface

These guidance notes relate to [Delivering Good Governance in Local Government: Framework](#) (CIPFA/Solace, 2016) which is intended to be used as best practice for developing and maintaining a locally adopted code of governance.

These guidance notes are intended to assist local authorities and associated organisations and systems – combined authorities, joint boards, partnerships and other vehicles through which authorities now work – in reviewing the effectiveness of their own governance arrangements by reference to best practice and using self-assessment.

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CHAPTER ONE

Introduction

DELIVERING GOOD GOVERNANCE IN LOCAL GOVERNMENT: RELATIONSHIP WITH THE FRAMEWORK

- 1.1** *Delivering Good Governance in Local Government: Framework*, published by CIPFA in association with Solace in 2007, set the standard for local authority governance in the UK. CIPFA and Solace reviewed the Framework in 2015 to ensure it remains ‘fit for purpose’ and published a revised edition in spring 2016. A comparison of the principles from the Framework (2016) and those included in the Framework (2007) is included for information at Appendix A to these guidance notes.
- 1.2** The new *Delivering Good Governance in Local Government: Framework* (CIPFA/Solace, 2016) applies to annual governance statements prepared for the financial year 2016/17 onwards.
- 1.3** The concept underpinning the Framework is that it is helping local government in taking responsibility for developing and shaping an informed approach to governance, aimed at achieving the highest standards in a measured and proportionate way. The Framework is intended to assist authorities individually in reviewing and accounting for their own unique approach. The overall aim is to ensure that:
- resources are directed in accordance with agreed policy and according to priorities
 - there is sound and inclusive decision making
 - there is clear accountability for the use of those resources in order to achieve desired outcomes for service users and communities.
- 1.4** The Framework draws on earlier work on governance in the public services which is briefly outlined at Appendix B to these guidance notes.
- 1.5** It is intended that the Framework is used by local authorities (across their governance systems, structures and partnerships) including:
- county councils
 - district, borough and city councils
 - metropolitan and unitary boroughs
 - the Greater London Authority and functional bodies
 - combined authorities, city regions, devolved structures
 - the City of London Corporation
 - combined fire authorities
 - joint authorities

- police authorities, which for these purposes since 2012 includes both the police and crime commissioner (PCC) and the chief constable
- national park authorities.

PURPOSE OF THE GUIDANCE NOTES

- 1.6** These guidance notes should be used in conjunction with the Framework. They are intended to assist authorities across their governance systems, structures and partnerships in reviewing and testing their governance arrangements against the principles for good governance. They will also help them in interpreting the principles and terminology contained in the Framework in a way that is appropriate for their governance structures, taking account of the legislative and constitutional arrangements that underpin them. However, it is not intended that these guidance notes are in any way prescriptive – all authorities are encouraged to consider carefully the content of the Framework and to use it in a way that best reflects their structure, type, functions and size.
- 1.7** These guidance notes are aimed at local government in England (separate guidance notes are being prepared for the police) and will be particularly useful for officers. They are intended to help those supporting political and officer leadership with establishing robust governance. They signpost component parts of the process and establish a hierarchy of support.
- 1.8** These guidance notes aim to assist authorities in:
- considering how they might go about reviewing their governance arrangements
 - developing and reviewing governance arrangements across the whole governance system including partnerships, shared services and alternative delivery vehicles
 - developing and updating their own local codes of governance
 - demonstrating compliance with the principles of good governance.
- 1.9** The term ‘local code’ essentially refers to the governance structure in place, as there is an expectation that a formally set out local structure should exist, although in practice it may consist of a number of local codes or documents. For example, Staffordshire County Council draws together on a single sheet all its systems, processes and documents that contribute to the authority’s governance. The extent to which they are in place and effective is considered as part of the authority’s annual review.
- 1.10** It is suggested that, in using the Framework and guidance notes, authorities should nominate an individual or group of individuals within the authority who have appropriate knowledge and expertise and levels of seniority to:
- consider the extent to which the authority complies with the principles of good governance set out in the Framework
 - identify systems, processes and documentation that provide evidence of compliance
 - identify the individuals and committees responsible for monitoring and reviewing the systems, processes and documentation identified
 - identify issues that have not been addressed in the authority and consider how they should be addressed

- identify the individuals who would be responsible for undertaking the actions that are required.
- 1.11** The review of governance arrangements must be reported on within the authority, for example to the audit committee or other appropriate member body, and externally with the published accounts of the authority. In doing this, the authority is looking to provide assurance that:
- its governance arrangements are adequate and working effectively in practice
 - where the reviews of the governance arrangements have revealed significant gaps which will impact on the authority achieving its objectives, what action is to be taken to ensure effective governance in future.

TERMINOLOGY

- 1.12** The terms ‘authorities’, ‘local government organisations’ and ‘organisations’ are used throughout the guidance notes and should be taken to cover any partnerships and joint working arrangements in operation. A full glossary of terms used in the Framework and guidance notes is included at Appendix C.
- 1.13** In the police service, where the accountabilities rest with designated individuals rather than a group of members, terms such as ‘leader’ should be interpreted as relating to the PCC or the chief constable as appropriate.

Context for the update

- 1.14** Local government continues to undergo significant change, much of which has been driven by austerity measures. In order to cope with this climate of austerity, authorities will need to continue to adapt the way in which they operate. Local authorities have responded by increasing collaboration and developing their role as ‘enablers’. Authorities will continue to make difficult decisions which may mean that certain services are no longer provided, but in doing this they need to communicate effectively with their communities, service users, stakeholders and individuals to ensure that the most vulnerable citizens are protected.
- 1.15** In addition to economic and financial challenge, the integrated health and social care programme, devolution, the [Localism Act 2011](#), the [Police Reform and Social Responsibility Act 2011](#), the [Cities and Local Government Devolution Act 2016](#) and other key legislation have brought new roles, opportunities and greater flexibility for authorities.
- 1.16** The development of combined authorities, devolution deals together with elected mayors brings about the chance to design governance structures from the bottom up. It provides the opportunity to ensure that the core principles of good governance covering openness and stakeholder engagement, defining outcomes, monitoring performance and demonstrating effective accountability are integrated and embedded within the new structures and that mechanisms for effective scrutiny are established. It is clear that to bid successfully for devolved power will require good governance to be demonstrated as well as crucial in using such powers effectively.
- 1.17** Other developments are resulting from the Home Office’s wider responsibility for fire, encouraging greater collaboration between ‘blue light’ services. Fire authorities are now

looking at mergers and joint working proposals with each other plus wider collaboration with the police sector.

- 1.18** New responsibilities and the development of innovative collaborative structures and ways of working provide challenges for governance such as ensuring transparency, and, in particular, for managing risk. Whether working with other authorities, public sector bodies, the third sector or private sector providers, local authorities must ensure that robust governance arrangements are established at the outset which provide for a shared view of expected outcomes supported by effective mechanisms for control and risk management thereby ensuring that the public purse is properly protected. It is vital that all joint arrangements observe all the principles of good governance and are managed and reviewed with the same rigour.

The 'governing body' in a local authority

INTRODUCTION

- 2.1** The [International Framework: Good Governance in the Public Sector](#) (CIPFA/IFAC, 2014) defines the governing body as:

The person(s) or group with primary responsibility for overseeing an entity's strategic direction, operations and accountability.

- 2.2** In local government the governing body is the full council or authority.

RESPONSIBILITIES

- 2.3** Elected members are collectively responsible for the governance of the council. The full council's responsibilities include:
- agreeing the council's constitution, comprising the key governance documents including the executive arrangements and making major changes to reflect best practice
 - agreeing the policy framework including key strategies and agreeing the budget
 - appointing the chief officers
 - appointing committees responsible for overview and scrutiny functions, audit and regulatory matters and also for appointing members to them.
- 2.4** The [Local Government Act 2000](#) required councils with populations over 85,000 to adopt a mayor or leader and cabinet model. This meant decision-making power was placed with either a mayor directly elected by local residents or a council leader with a small 'cabinet' or 'executive' who had the power to make decisions both individually and collectively. Local authorities were also required to establish an overview and scrutiny function for members outside the cabinet through which they could question and challenge policy and the performance of the executive and promote public debate.
- 2.5** The executive is responsible for:
- proposing the policy framework and key strategies
 - proposing the budget
 - implementing the policy framework and key strategies.
- 2.6** The chief executive advises councillors on policy and necessary procedures to drive the aims and objectives of the authority. The chief executive leads a management team consisting of senior managers. The chief financial officer, monitoring officer and other senior managers

are responsible for advising the executive and scrutiny committees on legislative, financial and other policy considerations to achieve the aims and objectives of the authority. They are responsible for implementing councillors' decisions and for service performance.

2.7 The **Localism Act 2011** allowed councils in England to change their governance arrangements. They may adopt a committee based system for decision making as an alternative to the leadership/cabinet model or to a directly elected mayor model, should they wish, subject to a local referendum. The key elements of the framework include the following:

- Removal of restrictions, set out in the 2000 Act, which require all councils in England with a population of 85,000 or more to operate executive arrangements – either the leader and cabinet or mayor and cabinet model.
- Councils in England have the freedom to decide what governance model to adopt, including the committee system.
- Councils opting to operate the committee system are able to decide how to discharge their functions, subject to the requirement to have certain statutory committees, such as a licensing committee.
- Councils choosing to operate the committee system are not required to have an overview and scrutiny committee, under Section 21 of the 2000 Act.

2.8 Fire authorities and joint authorities, including waste disposal authorities, passenger transport authorities and combined fire and rescue authorities, do not have directly elected members. Instead they have members appointed to the authority by the local council. National park authorities also have members appointed by the secretary of state. Members are responsible for setting policies and priorities and the efficient and effective use of resources. These authorities do not have formal constitutions but rely on the schemes of delegation and operate a traditional local authority committee model. In fire and rescue authorities, the fire brigade operates as the executive arm with the fire service providing scrutiny.

2.9 In the police, police and crime commissioners (PCCs) and chief constables are corporations sole and are jointly responsible for governance. Separate guidance notes have been prepared for the police, but the principles included in the Framework are equally relevant to them.

CHAPTER THREE

Working in partnership

INTRODUCTION

- 3.1** Effective service provision has meant that local authorities have always needed to work in partnership with other bodies. However, joint working and the use of a range of alternative delivery vehicles has increased over recent years as local government has coped with less resources.
- 3.2** An individual council may retain responsibility for the provision of services but other councils or organisations may provide these on their behalf. Collaborations bring about stronger relationships between authorities which may result in a more formal relationship at a later stage such as a combined authority.
- 3.3** Examples of joint working include:
- joint commissioning with other public bodies
 - joint ventures with other public sector bodies
 - partnerships with the private sector, including outsourcing
 - shared services such as:
 - joint management teams
 - joint provision with other local authorities such as back office functions
 - joint working in the fire service.

COMBINED AUTHORITIES AND DEVOLUTION

- 3.4** The [Local Democracy, Economic Development and Construction Act 2009](#) permits combined authorities to be established; a legal structure that may be set up by two or more local authorities in England. The 2009 Act permits the authorities to undertake functions related to economic development, regeneration, or transport.
- 3.5** The [Cities and Local Government Devolution Act 2016](#) gives combined authorities further powers to enable growth and public service reform in their areas. They are also permitted to have a directly-elected mayor who will be able to exercise the functions of the police and crime commissioner for their area. The 2016 Act requires each combined authority to set up at least one overview and scrutiny committee.
- 3.6** The Greater Manchester Combined Authority was established in 2011, and a devolution agreement was announced in November 2014. The devolution agreement provides the authority with additional powers to support business growth, join up budgets in health and social care and elect a metro mayor. Since then, deals with several other areas have been agreed. Devolution deals negotiated to date have mostly involved transfer of powers over

services such as business support, further education and skills funding, transport budgets and land management, with involvement in health and policing being less common.

- 3.7** The devolution agenda is driving new and rapidly-evolving models of collaboration with a focus on place-based outcomes, bringing about specific challenges and issues for governance. For such arrangements, clarity of vision is crucial. It is also essential that at the negotiation stage, communities are able to understand what the objectives for devolution are and are consulted accordingly.
- 3.8** Devolved organisations will need to act transparently where there are potential conflicts between the long term view required for outcomes such as economic regeneration and short term factors such as the political cycle. Other key features for arrangements to be successful include strong collaborative – and clearly accountable – leadership (which doesn't feel like a takeover to those outside a dominant organisation).
- 3.9** Partnership working can be a challenge across local government, but working with other sectors adds greater complexity. Relationships between clinical commissioning groups and local authorities need to be clearly defined owing to statutory and cultural differences. Staff from each sector need to be clear regarding the outcomes to be achieved and that workforce differences are or will be addressed.
- 3.10** Where there are proposals to merge police and crime commissioner (PCC) powers with elected mayors, accountability will need to be carefully thought through as current police force areas are not coterminous with local government boundaries. Consideration will therefore be needed on how the mayor's accountability will be shared with PCCs.

CASE STUDIES

- 3.11** This section outlines four case studies which have been provided by the following authorities and shows how they have approached governance issues in relation to partnership working:
1. **Cheshire East** – establishing alternative service delivery vehicles.
 2. **Leeds City Council** – developing a public service led mutual social enterprise.
 3. **Anonymous** – joint committee governance arrangements – solving problems.
 4. **Highland Partnership** – lead agencies for health and social care.
- 3.12** There follows a section highlighting questions that members and officers in an authority might consider to help ensure that the principles of good governance are embedded within the authority's partnership working.
- 3.13** The final section of this chapter outlines the issues to consider when looking at, implementing and reviewing arrangements for sharing chief executives and management teams.

Cheshire East Council – establishing alternative service delivery vehicles

The following case study looks at how Cheshire East Council set up alternative service delivery vehicles and outlines its approach to specific governance issues.

BECOMING A COMMISSIONING AUTHORITY

Cheshire East Council ('the council') set out a three year plan in February 2013 which would see the birth of new alternative service delivery vehicles (ASDVs) as a way of encouraging entrepreneurial spirit, innovation and culture change, helping to bridge the gap between budget availability and desired outcomes.

In order to support the delivery of a range of resident-focused outcomes, the council prioritised projects and rolled out a new project management framework and associated training, including a new two-stage project endorsement process involving senior officers from each professional discipline as well as members.

ANSA ENVIRONMENTAL SERVICES LIMITED

Ansa Environmental Services Limited (Ansa), an ASDV, was set up as a 'Teckal-exempt', wholly owned company of the council, enabling the council to directly award work to Ansa. It also offered the council a way of retaining corporate oversight via various governance processes including its group holding company, Cheshire East Residents First (CERF). The 'Teckal' exemption (now codified in Regulation 12 of the Public Contracts Regulations 2015) offers Ansa the opportunity to grow its business by allowing other public sector bodies to 'buy-in' to Ansa, thus dramatically speeding up procurement and mobilisation of new contracts for services and lowering traditional procurement costs.

CREATION OF ANSA

The council's environmental services and bereavement and street cleansing departments were ripe for change and there was significant support from employees, councillors and management for developing an arm's-length company as an alternative to full outsourcing.

Following a service review, focus groups and employee consultation, the departments were realigned to form Ansa and a separate company, Orbitas Bereavement Services Limited, which both began trading in April 2014. Ansa was set the challenge to maintain high quality services to over 165,000 households while delivering £2.5m in efficiency savings within the first five years and to grow its income by 2.5%. Ansa now delivers waste, street cleansing, fleet, grounds and parks services on behalf of the council and external customers and has added training and business change consultancy to its offering.

Kevin Melling, Ansa Managing Director, says:

Our success reflects the passion and commitment of managers and employees to making Ansa the best service provider it can be for the benefit of local residents and wider customer base. Ansa is performing well across all of its services, including raising the bar on its recycling rate and diversion from landfill and receiving external recognition for its parks and grounds delivery. The achievement of both Royal Society for the Prevention of Accidents Gold Award and ISO 9001 on the first year of entry reflects positively on the safety, efficiency and quality standards of the organisation. This, together with a strong financial performance, sets a platform for future growth and development of the company as Ansa becomes increasingly commercial.

Given that Ansa exceeded all of its key performance indicators (KPIs), delivered £1.3m of the five year savings' target early, and made an operating profit, confidence in Ansa is high. The council and Ansa are in discussions to extend the contract by a further ten years with the option of further extensions.

STAKEHOLDER ENGAGEMENT

Jane Thomason, Chief Operating Officer:

Effective engagement with stakeholders including clients, residents, employees and members is essential to our success, allowing us to deliver performance improvements and efficiencies across the business while maintaining high levels of customer satisfaction. Our passion and enthusiasm make us attractive as both a supplier and employer, as we work together to grow our business and deliver a high quality service.

PROJECT AND PROGRAMME GOVERNANCE

The ASDV projects were overseen by individual project boards and a programme steering group. Professional advice was procured before either party entered into new contractual arrangements. A formal business case and company business plan were developed and then independently audited. Final approval was achieved through a series of related cabinet papers, ensuring legal, financial and constitutional compliance. Following project-delivery, an in-depth 'lessons learned' session was held, significantly speeding up and smoothing implementation of later ASDVs.

CORPORATE GOVERNANCE

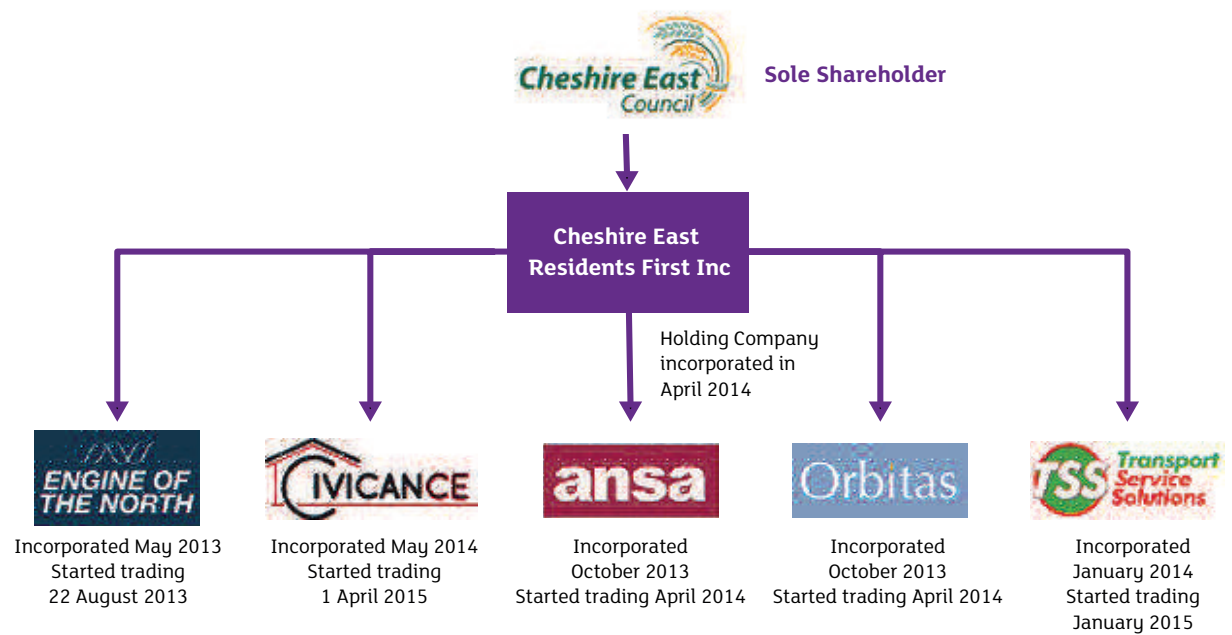
During the projects, a clear separation of roles was defined for those who would 'commission' and those who would 'deliver' the service. A detailed contract was agreed which included KPIs and a service specification drawn up by the commissioner and corresponding method statements from Ansa. An annual management fee review process was built-in together with an agreement to buy back those support services not due to transfer to the new company, providing a measure of stability, continuity, and, council control. Where appropriate, contracts were novated across to Ansa, with the balance either bought back via the council or re-tendered in Ansa's name.

New governance processes were developed and then approved by Ansa's board, including a balanced scorecard approach to risk management and a performance management framework. Ansa reports into a quarterly shareholder board and submits updated business plans via this route. The annual management fee is negotiated via the commissioning manager together with any in-year changes to scope of work and associated additional income and/or savings targets. Ansa has retained pre-existing employee terms and conditions including pensions. Where possible, Ansa is taking the opportunity to become more flexible and agile by streamlining processes and procedures, re-procurement of key contracts and realignment of resources.

FUTURE GROWTH POTENTIAL

Ansa is in talks with a number of public and private sector bodies about how it can work collaboratively and profitably to optimise resources, efficiency and deliver best value and is building a reputation for responsive and reliable, quality environmental services.

Group structure



Leeds City Council – development of a public service staff led mutual

Leeds City Council has recently encouraged and nurtured the development of a public service staff led mutual, Aspire Community Benefit Society, to deliver its in-house care services for adults with learning disabilities, enabling managers and staff to build a long term sustainable future for a service to over 1000 of the city's most vulnerable adults. In doing so it has freed up the enterprising spirit of staff to operate in an organisational form that is established to benefit the needs of the community.

The challenge was to ensure that the transition process and the new alternative delivery model governance arrangements were carried out in accordance with the authority's governance and decision-making frameworks.

The key areas in which both internal governance processes relating to the transfer of the service, and the governance arrangements for the new alternative delivery model, were delivered have been outlined under the principles contained in the council's code of corporate governance.

BEHAVING WITH INTEGRITY

The social enterprise agreed to adopt the council's HR policies and procedures, and there was also agreement to buy back support services, which provides good conduct and behaviour in line with the council's existing standards.

DEFINING OUTCOMES FOR THE COUNCIL AND COMMUNITY NEEDS

The proposal for the creation of a social enterprise for learning disability services was intended to contribute to the delivery of the city and council's priorities in the following areas:

- Civic enterprise – a new leadership style for local government where councils become more enterprising, businesses and other partners become more civic and citizens become more engaged.
- Better lives through enterprise – a revised role for adult social care, as it moves from being a direct provider of services to being a co-ordinator of the provision.
- Ensuring quality services that are viable and sustainable.
- Socially responsible employers in the marketplace, stimulating jobs and good growth locally.

In addition, the detailed service specification was drawn up to promote the delivery of the council's learning disability strategy and the priorities of customers:

- More opportunities to be available for disabled people in mainstream services, eg leisure, education and employment.
- More choice and easier access to housing.
- A skilled workforce able to meet a diverse range of need in the community and at home.
- Innovative ways of meeting the needs of individuals within shared support environments.
- Specialist services to support individuals with very complex needs in Leeds and prevent them from being sent out of area away from their communities.

HAVING CLEAR RESPONSIBILITIES AND ARRANGEMENTS TO DELIVER EFFECTIVE ACCOUNTABILITY

Clear governance arrangements for the alternative delivery model were integral to the transfer of the service. The social enterprise has a board of directors and comprises a non-executive chair, six members of the company (three of whom are union stewards), three people who use the services, three independent non-executive specialists from the community and three nominations from the council.

DETERMINING THE INTERVENTIONS NECESSARY TO ACHIEVE INTENDED OUTCOMES

A strategic governance board (chaired by the executive member for adult social care) was established from the outset and included representation from across the council and trade unions.

Terms of reference were established for the strategic governance board to ensure that everyone was aware of its function and its decision making capacity.

DEVELOPING THE ENTITY'S CAPACITY INCLUDING THE CAPABILITY OF MEMBERS AND OFFICERS

The service obtained independent support from the Cabinet Office Mutuals Support Programme. Part of this support focused on testing and updating the existing five year integrated business plan. This involved working through the preferred legal and governance models of the alternative delivery model.

The social enterprise has a five-year contract with the council, based on the council's standard terms and conditions, with a contract price based on an agreement to buy-back support services (such as HR, IT and finance) from the council. The contract will be monitored by the council's own monitoring officers and there will be quarterly performance review meetings with an overall annual review of the contract.

COMPREHENSIVE STAKEHOLDER ENGAGEMENT

A formal consultation with staff was undertaken, with each staff member being invited to attend both informal and larger scale engagement events, with trade union representatives present. This was followed by a staff survey where 78% of staff members voted in favour of moving the service to a social enterprise. The social enterprise has confirmed its commitment to positive employee relations and collective bargaining. The social enterprise has proposed a joint negotiation and consultative committee and a health and safety committee very similar to that which is currently in place in the council.

Feedback gathered from current service users was used to shape the service specifications and ensure that the services to be provided are in line with current and predicted future needs for people with learning disabilities, as detailed in the adult social care market position statement.

Anonymous – joint committee governance arrangements – solving problems

This case study was included in the 2012 guidance notes but it remains relevant and provides useful pointers in today's climate.

The joint committee had always performed well, requiring little involvement from the lead authority and had returned substantial annual dividends to member authorities. Then things started to go very wrong; there were significant operational failures and excessive spending and falling revenues wiped out almost all the profits. Governance arrangements were in place for the historically stable organisation but it became rapidly apparent that they were not sufficient in a dynamically changing environment with 'rogue' factors at work. Stopping the decline and returning the organisation to good performance and profitability took an enormous amount of time, cost and effort with massive reputational and personal risk for some officers.

The governance arrangements in place and written into the constitution covered:

- the purpose and objectives of the organisation
- the role and responsibilities of the director
- the role and responsibilities of the statutory officers from the lead authority
- the delegations and authority of the director
- financial and contract procedure rules.

Arrangements were also in place in relation to lead authority control and oversight of banking arrangements. This proved critical to the early identification by the lead authority of problems arising (through observation of cash flows) when the organisation's reporting to members was inaccurate and misleading.

Problems in applying good governance were as follows:

- Arrangements were ignored by key people. Decisions were being made but not transparently reported.
- The size of the joint committee was an issue. Its membership covered a wide cross section of 'owning' authorities but with no relationship (local or political) other than being present at the same committee meetings three or four times a year.
- The members had little understanding of the role of the lead authority so when advice was given it was repeatedly ignored.
- The director was not line managed by any authority so there was an inability to direct a change in behaviour or approach.
- The role and purpose of the organisation had become blurred and misunderstood over time and was potentially in conflict with the local authorities that 'owned' it.
- In the absence of an audit committee, governance concerns were not independently and closely monitored.
- Whistleblowing arrangements were ineffective as they were not sufficiently independent.
- The activity wasn't actually unlawful, making it difficult for the lead authority to 'force' action to be taken.
- Member decision making was technically correct in governance terms (formal reports from the lead authority clearly stated the problems but members chose not to agree recommendations).

Improvements made to avoid a recurrence of problems (once the problems had been resolved and action eventually taken) included the following:

- Member training – their role, the role of the organisation and the role of the statutory officers.
- A strategic officer group was established chaired by the lead authority and consisting of senior officers from all the member authorities which now meets in advance of each committee meeting to consider implications and hold the director to account.
- A small and focused audit committee has been established.
- A whistleblowing hotline and website through to lead authority has been set up. It is therefore independent of the organisation's management.
- The constitution, delegations and procedure rules have been reviewed and updated by officers of all member authorities ensuring everyone is aware of them and members are fully briefed.

Highland Partnership – lead agencies for health and social care

This case study looks at the partnership established by the Highland Council and NHS Highland to provide adult health and social care.

LEAD AGENCY MODEL

The Highland Council and NHS Highland entered into a partnership agreement in 2012, heralding the beginning of service integration. This was the start of a five year plan which set out the vision and expected outcomes for improving health and social care.

The council and health board had considered alternative governance models, such as a new body corporate between the organisations, but settled on ‘single governance, single management and single budget’ via the lead agency model. This was influenced by developments in English authorities, such as Torbay Council and North East Lincolnshire Council.

Accordingly, since 2012, adult social care has been commissioned by Highland Council from NHS Highland, as part of an integrated approach to the delivery of adult health and care services. Community based child health has been commissioned by NHS Highland from Highland Council, and delivered within a single department that includes education and children’s social care. Fifteen hundred social care staff transferred to the health board and 200 health staff transferred to the council to deliver these services.

The lead agency model depends on the following arrangements:

- A joint approach (with partners) to strategic planning and commissioning, with the development of a joint strategic plan that establishes strategic direction and improvement outcomes (co-ordinated by each lead agency).
- The commissioning agency sets out the service requirement, and provides the resource to achieve it. This is in line with, and integrated into, the strategic plan.
- The lead agency delivers the service requirement, against performance outcome targets and standards.
- The commissioning agency monitors the delivery of the commission against the agreed outcomes.

A governance structure was put in place in each organisation to ensure effective decision making, monitor progress and continue to modify arrangements as the transformation programmes progressed. This was based on existing legislation, and a strategic commissioning group brought the agency leaders together with other stakeholders to help ensure continuing joined up decision making.

DEVELOPMENTS SINCE 2012

In 2014, changes in Scottish legislation to drive health and care integration across the country resulted in the development of the integration scheme with the partnership agreement remaining as detailed guidance. This also marked the transition from the strategic commissioning group to a joint monitoring committee.

This change provided an opportunity to further review the governance arrangements to minimise duplication and bureaucracy, while still providing robust scrutiny, and in particular to ensure that:

- the governance arrangements are predicated on the lead agency principles of ‘single governance, single budget, single management’

- each lead agency has a single governance committee to scrutinise performance and to consider policy and service development
- the governance structure provides an acceptable level of assurance as well as a route for further scrutiny should that assurance not be achieved
- assurance reporting is scheduled to reflect meaningful information and progress to mirror collection of much of the data and to enable scheduling of governance meetings for lead agency and commissioner reporting.

The review focused on the best arrangements to achieve the improved service outcomes, the articulation of strengths and weaknesses in the current system, and exploration of options to deliver better, consistent governance across the lead agencies.

The first stage of the review involved asking “what is it that we need to discharge our governance responsibilities?” The second stage considered “recommendations regarding the establishment and population of a structure to achieve this”.

The joint monitoring committee also took account of the expanding role of the locality partnerships, which had been developed to influence the local delivery of health and care and were developing a wider community planning role. Although not part of the governance structure of the lead agency model, these partnerships are considered integral to the local delivery of the strategic plans. It is envisaged that each locality will maintain and monitor local plans for improving services to adults and children, reflecting local and authority-wide priorities and outcome targets.

The review has clarified the process whereby the lead agency will provide scrutiny over the delivery of services, and the commissioning agency will receive assurance reports based on the exercising of that scrutiny, and will receive a regular performance report relating to the delivery of the outcomes that are set out in the commission.

It is intended that the performance report will take the format of an agreed template, for use by both adult and children’s services, wherever possible based around critical outcome indicators, and will only include proxy process or input indicators where outcome measures are not possible.

These various formal processes will be supported by ongoing, formal and informal liaison between officers and senior members of the board and council, as it is recognised that good governance is supported by ongoing good working relationships.

EMBEDDING THE PRINCIPLES OF GOOD GOVERNANCE IN PARTNERSHIPS

3.14 The following section highlights questions that members and officers in an authority might consider when looking at, implementing and reviewing partnership arrangements. They are set against the principles of good governance from [Delivering Good Governance in Local Government: Framework](#) (CIPFA/Solace, 2016).

A. Behaving with integrity, demonstrating strong commitment to ethical values, and respecting the rule of law

3.15 It is important that values are agreed for partnerships at the outset and that they are clearly understood and communicated.

- Have values for the partnership been agreed and have they been communicated to all concerned?
- How will they be monitored?
- Are there any particular issues that need to be resolved as a result of working with private sector providers?
- Do all the partners share in these values?
- Has the 'tone from the top' been established?
- Is there clarity over partners' statutory duties?
- Are the leaders and staff associated with the partnership committed to it?
- How will a collaborative partnership be built/maintained and parochialism be guarded against?

B. Ensuring openness and comprehensive stakeholder engagement

3.16 For partnership working to be effective, partners must have trust in each other and therefore be open with each other and their stakeholders about their activities. Where different sector bodies are working together, the partnership will need to understand and accommodate the different cultures of partnership organisations. For example, the multi-faceted focus of a local authority versus the singular focus of a health organisation. This could potentially influence the level of importance placed on a partnership by different organisations, and is therefore an important consideration.

3.17 The legislative and governance arrangements underpinning different sectors should also be taken into account. For example, local authorities have local political leadership, in the NHS board membership is made up of officers and non-executive directors, and charities will have trustees (often dedicated volunteers).

- Is there high level agreement between the partners concerning the value of and intention towards partnership working and collaboration?
- Is the importance of trust recognised at all levels and its role in supporting change?
- Is the partnership taking place in an atmosphere of trust?
- How will those leading the partnership ensure that different cultures within partnership organisations are understood and respected?

- What issues might different cultures generate? Are there any that might cause problems and if so, how might they be resolved?
- Do the partners understand how the governance arrangements in each partner operate?
- What issues might different governance arrangements introduce? Are there any that might cause problems and if so, how might they be resolved?
- Have exit arrangements been defined? What might trigger them?
- How are conflicts dealt with?
- How will effective communication be developed and maintained?
- How will effective stakeholder engagement be maintained?

C. Defining outcomes in terms of sustainable economic, social, and environmental benefits

3.18 Partnership working may be employed for a number of reasons, for example to improve service quality and outcomes. Combined commissioning may be aimed at increasing spending power and reducing costs.

- Is there a shared vision and are there clearly defined outcomes that have been agreed upon by all partners and are supported by stakeholders?
- Has the vision been communicated appropriately?
- Where a longer term view is required in relation to agreed outcomes, how will a focus be maintained when there are potential conflicts such as the political cycle or immediate local challenges to deal with?
- Have appropriate performance indicators been agreed by the partners?
- Will working in partnership add value?
- Have the benefits been clearly mapped out?

D. Determining the interventions necessary to optimise the achievement of the intended outcomes

3.19 Even where it appears obvious that working in partnership will improve outcomes, there still needs to be detailed discussion at a strategic level to clarify the aims of the partnership and specific issues such as control of resources.

- Is there a clear strategy on what is to be delivered and how this is to be done?
- Do members and officers receive support in making decisions in respect of their partnership roles?
- Are partner roles and responsibilities agreed and understood?
- Is there clarity over who has the responsibility to make decisions?
- Has consideration been given to the best way to evaluate the effectiveness of joint activities in achieving goals?
- Have clear parameters been established covering such issues as:
 - structure
 - control

- devolved decision making
- accountability.
- Have structures and processes been negotiated and are they written in to terms of agreement?

E. Developing the entity's capacity, including the capability of its leadership and the individuals within it

3.20 Effective partnership working requires a different type of leadership – one that is distributed across organisations. Therefore leaders need to be empowered to work within and across organisations where they may not have hierarchical authority over others. Dedicated roles are also required to do this. This type of leadership requires different forms of communication, interaction and power sharing as well as staff development.

3.21 With regard to leadership, the following could be considered:

- While developing partnership arrangements/devolved arrangements, how will the organisation ensure that it does not lose sight of its own current challenges?
- Does the partnership have strong, effective and collaborative leadership?
- Are members able to scrutinise and challenge effectively?
- Are partners able to work flexibly and is this reflected in their attitude so that it benefits the partnership?
- Is there a consistent policy in place for dealing with differences in employment terms and conditions?
- Do partnership leaders have the ability to work across organisational boundaries and to confront and influence the barriers that they may encounter?
- Do those in the partnership have the authority to make decisions?
- Do they have the resources required in relation to the partnership's remit and their own responsibility to deliver results?
- Are the levels of delegation of control over services/spending matched between partnership organisations?
- Do those involved in governance roles within the partnership have the skills required?
- What particular skills are required in a devolved arrangement? For example, commercial awareness and the ability to negotiate/broker deals. How will such skills be acquired if they are currently not available?
- Do those in governance roles in the partnership know how to deal with apparent competing and/or conflicting demands and interests in respect of the partnership versus their authority role?
- Is training available for them?
- How will difficulties be dealt with?
- Are there any strategic and operational management gaps between organisational boundaries? If so, how will they be managed?

F. Managing risks and performance through robust internal control and strong public financial management

3.22 Partnership working can introduce specific challenges in terms of risks facing partners and the need for effective internal control and public financial management.

3.23 Local authorities need to scrutinise the governance of partnership arrangements closely. Although scrutiny committees may not be permitted to access all the information they would like owing, for example, to contractual arrangements with private sector providers, their oversight of outsourced services and joint operations should still allow for an element of openness and accountability that might otherwise not exist. Good practice in scrutiny is covered in Chapter six of this guide.

- Has an appraisal of the various options been undertaken?
- Is the business case for the proposal sound?
- When considering outsourcing a service has an effective due diligence process been undertaken?
- Are there clear structures and processes in place for balancing innovation and risk?
- Are partnerships reviewed regularly to see how effectively they are working?
- Do contracts with private sector providers include appropriate break clauses that would enable renegotiation if circumstances change?
- Are funding arrangements clearly specified?
- Are appropriate systems in place so that expenditures against milestones and deliverables can be properly managed?
- Do those involved in partnerships between different sectors (such as local government and health) understand the different finance systems, terminology and performance measures used by the other sector?
- How is the risk profile for joint ventures considered prior to agreement?
- How are risks associated with the partnership identified and managed?
- Are the risks facing each organisation carefully considered and monitored as part of joint work, particularly any shared risks?
- How are risks shared?
- Has a risk share agreement been drawn up?
- How are the following dealt with:
 - cost overruns
 - different performance and financial frameworks in place in partner organisations?
- Does the partnership provide for consistent monitoring and measurement?
- How are partnerships scrutinised?
- How will the budget be scrutinised and monitored in a devolved arrangement?
- What is the impact of a devolved arrangement on management reporting?
- How effective is the scrutiny?

G. Implementing good practices in transparency, reporting, and audit to deliver effective accountability

- Does the partnership report on its performance on a regular basis?
- Are partnerships covered in the annual governance statement?

Further guidance

- [The Commissioning Joint Committee Guide to Alternative Bases of Service Provision](#) (CIPFA, 2012)
- [Crossing the Border: Research into Shared Chief Executives](#) (Local Government Association, 2012)
- [The Excellent Finance Business Partner](#) (CIPFA, 2015)
- Fischbacher-Smith M (2015) Minding the Gaps: Managing Difference in Partnership Working, *Public Money and Management*, 35, 195–202
- Johnson K (2015) Public Governance: The Government of Non-state Actors in ‘Partnerships’, *Public Money and Management*, 35, 15–22
- [Local Government Governance Review 2015: All Aboard?](#) (Grant Thornton, 2015)
- [Responding to the Challenge: Alternative Delivery Vehicles in Local Government](#) (Grant Thornton, 2014)
- [Shared Chief Executives and Joint Management: A Model for the Future?](#) (IDeA, 2009)

SHARED CHIEF EXECUTIVES AND MANAGEMENT TEAMS – QUESTIONS TO CONSIDER

- 3.24** The following section highlights questions that members and officers in an authority might consider (in the light of the good governance principles) when looking at, implementing and reviewing arrangements for sharing chief executives and management teams.

A. Behaving with integrity, demonstrating strong commitment to ethical values, and respecting the rule of law

Consideration and implementation stages

- Should authorities declare their non-negotiable issues/areas early on to help build trust?
- Do the authorities have similar cultures (management as well as organisational)? If not, would it be beneficial to consider how they might be brought closer together?
- In the event of talks breaking down, how will the authorities ensure that they retain a good relationship in the future?

Review stage

- Has an atmosphere of mutual trust between the authorities and key players been maintained? How can officer support assist here?
- Have any problems arisen as a result of different cultures? How have they been resolved?
- Are members and officers personally committed to the initiative?

B. Ensuring openness and comprehensive stakeholder engagement

Consideration and implementation stages

- Has there been an open debate between the senior officers and members of the authorities about the costs and benefits of the proposed scheme?
- How can momentum be maintained during talks?
- Do the authorities have an agreed media management policy in place for communicating with the public?
- How will successes be communicated to the public?
- What communication channels will need to be established to reach all levels of the authority? How will they be enacted to ensure updates on a regular basis, for example a weekly bulletin or regular emails communicating successes and future plans? These can be used to build relations with new members/officers.

Review stage

- Has effective communication been maintained at all levels?

C. Defining outcomes in terms of sustainable economic, social, and environmental benefits

Consideration and implementation stages

- Has a common vision of the outcome of the shared service/shared chief executive arrangement been agreed by all parties?
- Has the vision been agreed between the authorities prior to working out the detail of the arrangement?
- Are the plans locally driven?
- How can a clear and consistent political will be encouraged?
- Would it be helpful for the authorities to agree a set of joint priorities?
- What will be the outcome/benefits for the community of sharing the chief executive/other shared arrangements?
- Is there a clear exit strategy if required and how would it be triggered?
- How will the on-going support of the members be secured? How will that support be used for promoting the initiative to staff and the wider public?

Review stage

- Have the outcome/benefits for the community of sharing the chief executive/other shared arrangements been realised?
- Are the authorities now under different political control? What particular challenges did this introduce and how were they overcome?
- Is there a common vision of the outcome of the shared service/shared chief executive arrangement that has been agreed by all parties?

- Where benefits have not been realised, how will this be resolved?

D. Determining the interventions necessary to optimise the achievement of the intended outcomes

Consideration and implementation stages

- Are the proposed arrangements sufficiently flexible so that they enable the authorities concerned to be able to access the managerial expertise they require in-house on a sustainable basis?
- How will expectations be managed regarding what can be delivered in relation to shared chief executive arrangements and other shared services? Has the use of technologies that might overcome problems regarding logistics been fully considered?
- Will the shared chief executive have access to appropriate resources – such as a personal assistant at each local authority – to ensure he/she can work effectively?
- What arrangements will be put in place to evaluate the success of the shared arrangements and to identify areas for improvement?

Review stage

- Have the arrangements to evaluate the success of the shared arrangements worked effectively?

E. Developing the entity's capacity, including the capability of its leadership and the individuals within it

Consideration and implementation stages

- Are there opportunities for the chief executives and leaders concerned to develop good relationships with other authorities with the potential to share services prior to more detailed discussions?
- How can equity between the authorities be assured so that the initiative is not perceived as a takeover or one council appearing too self-interested (for example, in relation to officer appointments)?
- How will fears be allayed that in the chief executive structure, one authority might be prioritised over another?
- Would it be helpful for members to be able to voice concerns/expectations on a regular basis possibly with members from the other authority?
- How will the shared chief executive retain a connection with staff?
- How will fears by members about loss of officer support be allayed?
- How will the authorities ensure that the shared vision is followed through?

Review stage

- Has staff morale been maintained?
- Is there still clear and robust leadership which focuses on outcomes?
- Has organisational efficiency been maintained?
- Do members receive effective officer support?
- Is the structure sufficiently flexible? Will it accommodate changes in the partners' circumstances?

F. Managing risks and performance through robust internal control and strong public financial management**Consideration and implementation stages**

- Has political buy in been secured at an early stage?
- Are the estimated savings on which the plans are based 'realistic'?
- Are the services between the authorities sufficiently aligned to enable synergies to work?
- Has the scheme secured the support of officers?
- How will a balanced process involving officer appointments between the authorities in the case of a shared management team be managed?
- How have the risks of the proposed approach been assessed? How will they be managed?

Review stage

- Is there still political and officer support for the initiative?
- Were the estimated savings on which the plans are based 'realistic'?
- Have any unexpected problems materialised? How were they dealt with?

G. Implementing good practices in transparency, reporting, and audit to deliver effective accountability

- How will the authority ensure that accountabilities remain clear to the public?
- Is the authority's leadership clear to all stakeholders?

CHAPTER FOUR

Practical examples and case studies

CASE STUDIES FROM LOCAL GOVERNMENT

4.1 A number of authorities have supplied material, illustrated below, on how they have tackled governance issues across a range of areas:

- Essex County Council – embedding good governance across the organisation.
- Broxtowe Borough Council – an ethical mind set.
- Conwy County Borough Council – an entrepreneurial council.
- Cardiff City Council – various issues.
- Staffordshire County Council – governance framework illustrated in a single sheet.
- West Midlands Pension Fund – good practice in stakeholder engagement.

Essex County Council – embedding good governance across the organisation

This case study outlines Essex County Council's actions to improve its governance arrangements and establish a culture of good governance.

INTRODUCTION

In 2010, Essex County Council ('the council') made a solid commitment to enhance its corporate governance arrangements in support of its transformation process. The council's reputation was under the spotlight following the departure of the previous leader during the House of Lords expenses scandal. Both matters led to the establishment of a corporate governance project championed by the subsequent leader of the council and the then chief executive. In time, this has led to a robust 'business as usual' culture of good governance across the authority.

The project first identified gaps in the council's systems and processes by inviting external auditors to carry out two 'ethical governance audits'. Their findings were combined with those from internal assurance services to create a programme of work, outlined each year in the council's annual governance statement.

The initial phase of the project saw a focus on making improvements in the structure, clarity and robustness of systems and policies. Once the bulk of that was underway to give the work a foundation, the project's focus shifted to cultural and behavioural considerations, and to working out how to embed those improvements across the whole of the organisation. A key

goal was to enshrine good governance as a responsibility for all leaders, not just those few charged with specific governance roles.

LEADING FROM THE TOP

The council established a corporate governance steering board chaired by the leader of the council. Its membership includes the leaders of the three main political groups. Supported by a bespoke corporate governance performance report, the board monitors governance arrangements and helps to identify areas for improvement. Influential elected members are thereby seen to set the standard for others to follow.

The project was sponsored by the chief financial officer, providing senior leadership from among the officer corps. In time it was handed to the council's monitoring officer to embed the new processes and culture across the council under 'business as usual'. The monitoring officer remains responsible for the council's assurance framework.

DEDICATED RESOURCE

The council committed appropriate funding to the project to ensure it was adequately resourced and could bring about a real step change in the control environment. The project was run as part of the council's transformation programme, recognising that good governance is key to successful organisational change.

One of the benefits realised by the project was the establishment of a permanent resource dedicated to co-ordinating the council's governance arrangements after project closure. This is not a compliance role but one of analysis and co-ordination, maintaining the council's focus on this key area, bringing together people from across the council in shared responsibility.

ASSURANCE FUNCTIONS

Some years ago, the council brought together all its assurance functions (other than finance) into a single team led by the monitoring officer. This created a strong and cohesive team, made up of professionals from various disciplines, to work together to improve and embed good governance. The team brings together corporate lawyers, auditors, strategic risk advisers, democratic services officers, officers from scrutiny, equalities, health and safety, business continuity planning and member support. The team works together and with others to identify areas of weakness and deliver improvements which benefit the council and its residents.

CHANGING BEHAVIOURS

The latter part of the project and subsequent work was aimed at influencing attitudes, values and behaviours. The improvement project was as much about this as it was about changing the 'nuts and bolts'. A tone was set by the leaders of the organisation which was then echoed through all subsequent internal communication as improvements were implemented, line managers 'walked the talk' through extremely high completion rates of the governance e-learning course, and a major internal consultation and focus on reducing perceived bureaucracy has made it easier for people to knowingly do the right thing.

Some key elements delivered across the council during this time were as follows:

- The creation of a regular 'corporate governance dashboard' to support informed conversations among officers and members about the council's governance.
- The development of bespoke corporate governance e-learning modules, mandatory for all relevant employees and councillors, and publicly endorsed by group leaders and the councillor-led 'member development steering group'.

- The development of enhanced induction arrangements for officers and members which feature corporate governance.
- A review of cabinet and committee governance, including decision-making.
- Raising the profile of freedom of information legislation and complaint handling data to encourage personal responsibility and transparency.
- Implementation of a 'Speak Up!' campaign.
- Updating and strengthening the role of the monitoring officer in the council through the creation of a dedicated corporate governance budget and team.
- A review of the scrutiny function.
- Implementation of automated audit (internal and external) recommendation tracking.
- A 'bonfire of bureaucracy' – a thoughtful employee engagement exercise with a provocative name, encouraging open debate about the role of bureaucracy and bringing about a number of employee-led improvements.

Broxtowe Borough Council – an ethical mind set

Each year the management team at Broxtowe Borough Council undertakes an ethical exercise as part of an away day. The team looks across sectors at high profile cases showing where something has gone wrong, for example Volkswagen and Operation Yewtree. The team asks itself if something similar could occur at the authority and if it did, would it have been uncovered by the current governance framework? The authority has found this approach to be a creative way of undertaking a governance enquiry using a fundamentally ethical mind set rather than using a checklist.

Extracts from the reports presented at the council's away days are set out below drawing on experiences in the NHS.

LEARNING LESSONS FROM RECENT EXPERIENCE IN THE NHS

Purpose of the report

To stimulate a discussion about what relevant lessons can be learnt from NHS experience, various parts of which have been the subject of a number of critical reports following major failings in patient care, with a view to incorporating lessons which can be learnt into our management practice within Broxtowe.

Detail

The management failings in a number of NHS trusts have been examined in some detail to identify the key aspects of poor, unsafe or dangerous practice. Within this report each inquiry is examined in turn, identifying the main management failings associated with each, and questions for reflection are set out to aid our discussion. There are three overarching themes which are summarised below.

1. Inadequate use of data

In each case, those responsible for running the establishment should have known of failings which were only fully uncovered following external review. Good management analysis of data which was already available would have highlighted dangers, signals and problems. However, through:

- fragmentation (an inability to piece together data which existed in different places)
- a pursuit of other priorities which were thought at the time to be more important
- a lack of urgency
- an inability to use the data to create momentum for change

the problems which should have been identified and dealt with continued to the detriment of patient care.

2. Insufficient emphasis on customer (patient) care and insufficient knowledge about what was happening on the front line

Managers became detached and insulated from the problems at each establishment, with the result that they:

- either did not know or did not care sufficiently
- did not adequately prioritise the problems which existed
- were not strongly enough motivated to urgently put problems right.

In most cases they ‘lost the plot’ – forgetting the main purpose of their management activity and putting other goals, particularly financial ones, ahead of patient care.

3. Accountability

In each case the opprobrium heaped on the aforesaid failing managers is tangible. There is a new clamour for managers to be held to account for their past failings. New models with which to measure effectiveness are being used and are being used retrospectively to identify specific failings and individual culpability. The use of data (quantitative and qualitative) and the rigour with which we as managers hold responsible officers (and each other) to account for quality service delivery will be increasingly demanding and relevant to local government in the coming days, particularly where lives are at risk.

NHS HOSPITAL

A television documentary by Panorama in May 2011 exposed the shocking routine mistreatment of people with learning disabilities.

The failings identified included the following:

- Almost half of patients were placed far away from home (not within easy reach of relatives).
- Average length of stay was 19 months – predominantly people were admitted after a crisis but there was no urgency relating to move on plans.
- There were a very high level of recorded physical interventions (restraint which could not under any circumstances have been considered ‘normal’).
- Opportunities to pick up failings in quality of care were repeatedly missed, eg patients attended A&E on 78 occasions; police had 29 reported incidents and there were 40 safeguarding reports to the local Council.
- Routine healthcare needs were not attended to, for example dental problems.
- There was little opportunity for outsiders to observe daily living, which enabled the development of a closed and punitive culture.
- A failure of provider to pick up on any of the above markers or provide a focus on clinical governance or key quality markers.
- Adult safeguarding systems failed to link together disparate pieces of information.
- Serious failings in commissioning led to failure to assess the needs of individuals and promote their rehabilitation back home. There was a lack of evidence that people had meaningful activity during the day.
- Mental Health Act Commissioner failed to follow up referrals and the Care Quality Commission (CQC) did not respond to whistleblowing.

QUESTIONS TO REFLECT ON:

- Do our performance management arrangements alert managers to ‘danger signals’?
- Do our systems (particularly concerning vulnerable people) enable us to piece together information from multiple sources?
- Do we have clear ‘quality models’ we can benchmark services against?
- Do we reflect on the quality of our commissioning processes and learn lessons when we go wrong?

- Do our complaints and whistleblowing processes work properly in all situations, eg in retirement living?
- Do we need to promote the complaints system and promote advocacy and/or independent visiting arrangements?
- Should we do more to promote feedback on service quality especially where vulnerable people are involved?

KEOGH REVIEW INTO THE QUALITY OF CARE AND TREATMENT PROVIDED BY 14 HOSPITAL TRUSTS IN ENGLAND

Sir Bruce Keogh was asked by the prime minister to conduct a review into the quality of care and treatment provided by hospital trusts with persistently high mortality rates. This was prompted by the fact that the failures at Mid Staffordshire NHS Foundation Trust were associated with failures in all three dimensions of quality: clinical effectiveness, patient experience and safety. He selected 14 hospitals for investigation based on the fact that they were outliers for the previous two years on the hospital mortality index or standardised mortality index.

Sir Bruce Keogh adopted a methodology which included looking at hard data and combining that with soft intelligence. The model combined a clear trigger for action followed by detailed data analysis leading to key lines of enquiry rather than an inspection based on a predetermined framework. He used a multidisciplinary diverse team 15 to 20 strong (including patients, front line doctors and nurses) to go into the hospitals to get under the skin of each hospital. There were no rigid tick box criteria. Staff and patient focus groups were important in the new process.

FINDINGS

- Poor hospitals regard listening to staff and patients and engaging them in improving services as a low priority.
- Poor hospitals have limited capability to use data to drive quality improvement.
- Boards had not grasped the quality agenda because they were chasing other targets, such as waiting times. Often financial challenges took a higher priority than dealing with quality issues.
- Some trusts were acting in professional isolation. This meant that they were ‘behind the curve’ and not in touch with best practice.
- There was a lack of value and support given to front line officers.
- Some boards used data simply for reassurance rather than the forensic sometimes uncomfortable pursuit of improvement.

QUESTIONS FOR REFLECTION

- Do we run the risk of ‘hitting the target but missing the point’?
- Do we have any areas of in-attentional blindness?
- Do we have an over-emphasis on overcoming the financial challenge we face at the expense of quality failing or customer failing?
- Are we sufficiently well in touch with best practice?
- Do we use data for reassurance rather than the ‘forensic sometimes uncomfortable pursuit of improvement’?

- Do we place sufficient emphasis and value on what front line staff think of our progress/ service delivery quality?

Conwy County Borough Council – Entrepreneurial Council 2015

The following case study demonstrates how Conwy County Borough Council ('the council') considered the outcomes it wished to achieve and was able to take advantage of an innovative opportunity to assist towards the achievement of its vision. The project was to develop a strategic approach for delivering major events in order to use them to raise the profile of the area and create an economic benefit for the county.

In 2010, the council recognised that events are an important part of the area's economy, which led to the development of the first events strategy. The strategy acts as a key economic driver, with the corporate events programme being seen as an essential part of the council's regeneration work across the county.

THE PROJECT'S OBJECTIVES

In addition to the desire to raise the profile of the area and provide an economic boost, the council wanted to maximise the use of built and natural key assets, eg water sports, outdoor activities, cultural events, Theatr Colwyn, Venue Cymru, Porth Eirias and Eirias. Central to the approach has been to get Conwy County noticed on the world map, and this was achieved through attracting a certain calibre of events and the partners involved, such as international motor sports who organise and run Wales Rally GB, the thirteenth round of the World Rally Championship.

THE COUNCIL'S APPROACH

The council's strategy does not sit on a shelf but rather is a 'way of life'; it's about doing the best for the area in which people work and live. It's called the **three Ps!**:

1. **Place** – what we have to offer.
2. **People** – who we serve and our team.
3. **Passion** – our love of what we do and the beautiful location of Conwy County.

The council saw an opportunity and gap in the market because of other public sector organisations pulling away from supporting events as they considered them not to be core activities. Elected members and senior team showed vision, commitment and a forward thinking outlook. They bought into the strategy and because of this the council has been able to take advantage of the opportunities and increase the number of successful events the county hosts or runs.

Some would say that what the council is doing is bold and brave when the authority is under pressure to protect core services, but the authority sees the work that is done on events as underpinning the economy of the county and an essential part of the council's priorities. The focus over the next few years is to continue to push the boundaries and attract events that generate significant direct economic, social and cultural benefits to Conwy County.

THE PROJECT'S ACHIEVEMENTS

The most significant achievement is the financial return. The council has been able to independently verify that over the last two years, for every £1 in sponsorship that has been invested, the authority has seen a return on investment of over £32.00. On top of the measured financial return there is the considerable coverage that the county receives by

hosting world events as well as other measures, such as the events programme definitely contributing to Llandudno being voted the number three destination in the UK to visit behind Edinburgh and London.

Cardiff City Council – practical examples

The following examples illustrate where Cardiff City Council ('the council') has been able to improve its governance arrangements in various areas.

GOVERNANCE AND ENGAGEMENT PROJECT

As part of an organisational development programme, the council has a governance and engagement project, led by the director of governance and legal services, which reports to the enabling and commissioning board (chaired by the corporate director resources) on a monthly basis. The project aims to ensure that the council has robust governance arrangements by "promoting openness through increased citizen engagement and information sharing, enabling transparent decision making and providing clearer opportunities for people to participate in decision making processes".

IMPROVING SCRUTINY

The council has also adopted an improving scrutiny project, which has formulated 20 development actions, one of which is an annual self-assessment by the council's five scrutiny committee chairs on the conduct and impact of scrutiny. The assessment methodology is based on the Characteristics of Effective Scrutiny in Wales, which makes parallel provisions to parts of the revised governance Framework (and will be reviewed to consider any further changes to reflect the revised CIPFA/Solace Framework).

RELATIONSHIP MEETINGS

We have introduced an arrangement whereby internal audit officers have a 'relationship meeting' with each director every quarter, which is proving to be useful and mutually beneficial. It provides for a regular dialogue between internal audit and senior management to help the understanding of risks, challenges and priorities across directorates, to enable audit resources to be targeted to best effect, thereby ensuring internal audit continues to add value. This also provides an opportunity to discuss matters arising from audits and working together to consider how the internal control environment can be best enhanced, recognising the resource pressures faced by management teams.

SENIOR MANAGEMENT ASSURANCE STATEMENT

All council directors are required to complete a senior manager assurance statement (SMAS) every six months, and internal audit officers offer a challenge to how the statement is completed, seeking more evidence to support a director's view. The council has developed its statement over the years and believes it is very effective in recognising the key role directors play in owning governance arrangements and being held to account for this.

The SMAS has also become a key means of highlighting and monitoring the significant issues within the council, which may or may not be captured as part of the corporate risk management arrangements, so that senior managers as a whole can be made aware of emerging issues and seek a strategic corporate means of mitigating the associated risks. The council intends to introduce a separate assurance statement for the chief executive to complete at year end.

CORPORATE PARENTING AND SCHOOL GOVERNOR APPOINTMENTS

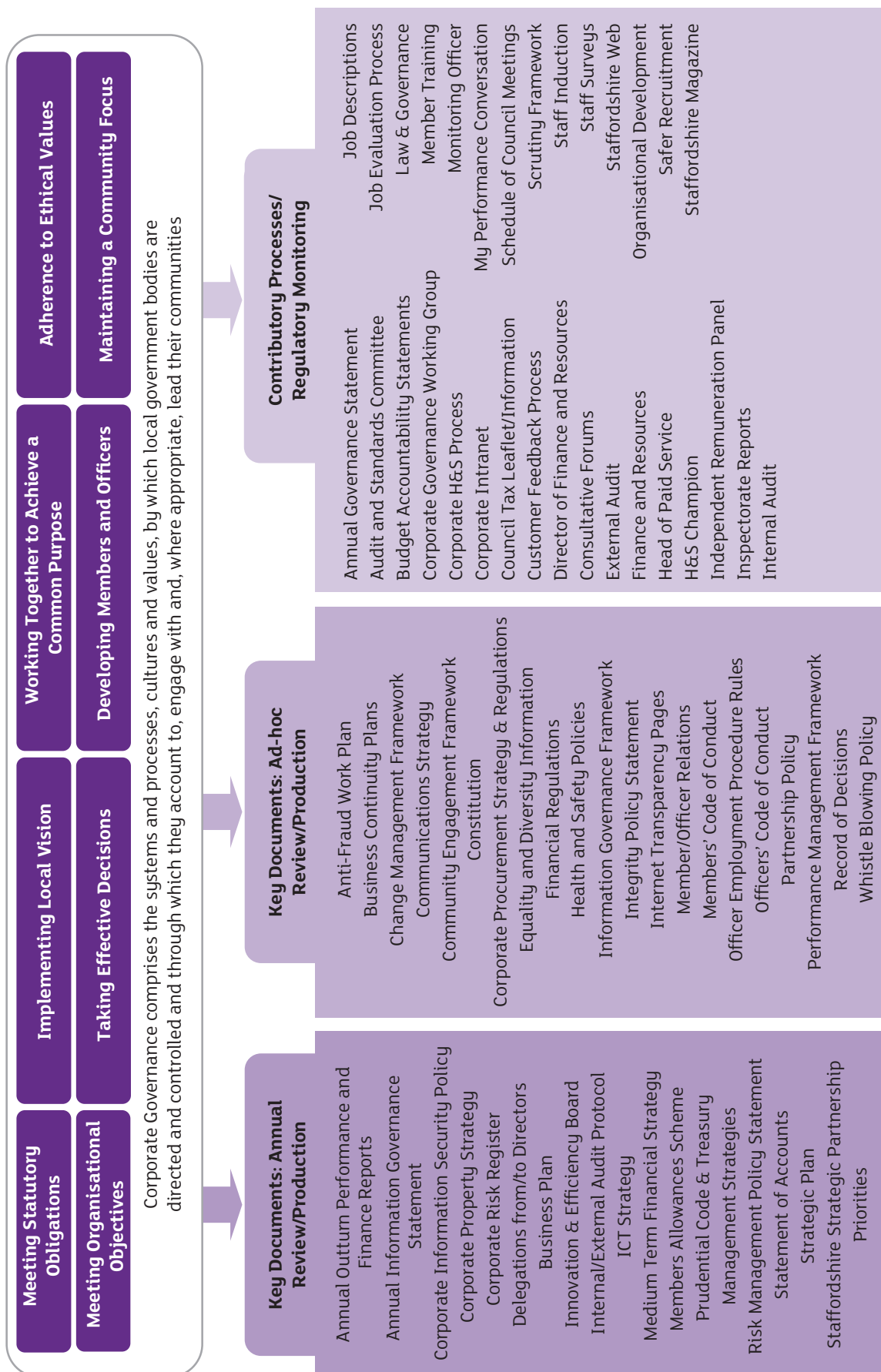
In order to improve the effectiveness with which the council discharges its corporate parenting role for all children in the care of the local authority, the council has established a corporate parenting advisory committee. Similarly, in order to improve the process for school governor appointments, the council has established a local authority governor panel.

Staffordshire County Council – single sheet framework

Staffordshire County Council draws together on a single sheet all its systems, processes and documents that contribute to the authority's governance. The extent to which they are in place and effective is considered as part of the authority's annual review. The document is reproduced below.

Staffordshire County Council Corporate Governance Framework

Principles, Statutory Obligations and Organisational Objectives



West Midlands Pension Fund – good practice in stakeholder engagement

This case study looks at the arrangements that West Midlands Pension Fund has in place for effective engagement with its stakeholders. CIPFA carried out a governance assessment at WMPF in 2015 and this case study is drawn from the findings.

INTRODUCTION

West Midlands Pension Fund (WMPF) is one of the larger local government administrated pension funds in the country. Affiliated to Wolverhampton City Council by statute, the fund is an autonomous organisation with its own governance arrangements.

WMPF has over 275,000 members and 450 scheme employers as at 31 March 2015. It has 116 staff and is governed by a pensions committee whose role is to manage, administer benefits and strategically manage the fund's assets. It is a committee of Wolverhampton City Council (the administering authority) which has representation from the seven West Midlands metropolitan district councils and local trade unions.

STAKEHOLDER ENGAGEMENT

WMPF's stakeholders include recipients of pensions, members who are paying in to the fund, and employing organisations. There is a culture of open and constructive engagement by WMPF with its key stakeholders and the interests of members are at the forefront of the way WMPF is governed and managed.

WMPF has a variety of ways in which members and organisations are engaged. This is guided by its customer engagement strategy that sets out why and how it engages with its stakeholders and includes:

- Surveys (available online at www.wmpfonline.com, via customer service advisors and in reception) which record feedback on many aspects of customer service including the quality of written material, online communication, in-person customer service, as well as gathering data on whether customers believe they are treated fairly by the fund.
- Quarterly briefing notes and e-newsletters for stakeholders.
- A robust complaints process which is monitored by the compliance and risk function of the fund.
- A self-service officer compliment system where data is captured regarding customer compliments.
- A customer journey mapping programme which ensures stakeholders are involved in changes to internal processes designed to benefit customers.
- Face-to-face contact, for example at WMPF events such as the annual general meeting (for trustees and employer) or roadshow programme or visitors to the reception (available to all members at any time).

QUALITY IMPROVEMENT

WMPF has a culture of quality improvement. For example, the staff forum is the primary vehicle for providing feedback to identify service improvements to customers. Customer service training is provided as core training for front line staff.

In addition, there are defined quality assurance systems, independently accredited such as the customer service excellence award. WMPF established consultation groups to review the

2014 changes to the pension scheme, and they increased the availability of information and presentation services to customers to help raise awareness of the 2014 scheme changes.

WMPF is very open about the services it provides, its performance and decisions that are taken. This information is all easily accessible and available on its website. Pension committee meetings are open to the public (except for reserved business) and minutes are also made available on the council's website.

CASE STUDIES FROM OTHER SECTORS

4.2 Sectors other than local government can be useful in providing learning points, particularly in this era of increased collaboration. Set out below are the following case studies:

- Mid Staffordshire NHS Foundation Trust
- Barnsley College
- Stakeholder engagement
- Includem
- Northern Ireland Events Company

Mid Staffordshire NHS Foundation Trust

Mid Staffordshire NHS Foundation Trust is well known for the failings that occurred prior to 2010 in relation to the operation of the health care system as a whole. The key events and timelines are noted in the following table as concerns about the trust increased.

2001	■ Stafford Primary Care Group wrote a report critical of the Mid Staffordshire General Hospital's management and leadership
2002	■ The Commission for Health Improvement published a highly critical report of the trust's low staffing levels, poor quality of clinical data and poor standards of cleanliness
2003	■ A peer review report into care for critically ill and injured children raised serious concerns about the accident and emergency department
2004	■ The trust received a Healthcare Commission zero star rating after receiving a three star rating the previous year
2005	■ The Barry Report looked into whistleblowing complaints
2006	■ The trust requested £1m for redundancies on two occasions ■ A peer review of critical children's services and the accident and emergency department raised serious safety concerns ■ The trust's auditors raised concerns over risk management and assurance
2007	■ A national report on mortality rates showed that the trust was the second worst outlier in the country ■ Mortality alerts for a number of conditions raised Healthcare Commission concerns ■ The Royal College of Surgeons' report described a dysfunctional surgical department at the trust
2008	■ Mid Staffordshire NHS Trust was awarded foundation trust status ■ The Healthcare Commission launched a full investigation into the trust
2009	■ The Healthcare Commission report revealed: – a chronic nursing staff shortage – equipment problems – poor weekend medical cover – a bullying culture – that targets overrode quality ■ The health secretary announced an independent inquiry into the trust's failings following further reports and calls for a full public inquiry

The following summary outlines some specific governance failings that were noted in the Report of the Mid Staffordshire NHS Foundation Trust Public Inquiry (the Francis report), published in 2013, and how they fit with the respective principles from the International Framework: Good Governance in the Public Sector (CIPFA/IFAC, 2014).

A. BEHAVING WITH INTEGRITY, DEMONSTRATING STRONG COMMITMENT TO ETHICAL VALUES, AND RESPECTING THE RULE OF LAW

- There was a negative culture at the trust and one of self-promotion rather than critical analysis.

- An ineffective trust whistleblowing policy meant that warning signs pointing to serious problems were not resolved.
- The regulator fiercely guarded its independence rather than fostering good relationships with others.
- The local medical community failed to raise concerns until it was too late.

B. ENSURING OPENNESS AND COMPREHENSIVE STAKEHOLDER ENGAGEMENT

- There wasn't a culture of openness or stakeholder engagement so instances of poor care were not addressed.
- Staff and patient surveys continually gave signs of dissatisfaction but no effective action was taken.
- Problems indicated by formal assurance systems were ignored and put down to poor record keeping.
- Insufficient priority was given to communication with regulatory and supervisory bodies.

C. DEFINING OUTCOMES IN TERMS OF SUSTAINABLE ECONOMIC, SOCIAL, AND ENVIRONMENTAL BENEFITS

- The trust pursued the wrong priorities and prioritised finances and the foundation trust application over care quality.
- The regulator focused on corporate governance and financial control without properly considering issues of patient safety and poor care.

D. DETERMINING THE INTERVENTIONS NECESSARY TO OPTIMISE THE ACHIEVEMENT OF THE INTENDED OUTCOMES

- The board permitted a mismatch between the resources allocated and the needs of the services to be delivered.
- There was no detailed scrutiny by the oversight body regarding the impact of the trust's financial plan and associated staff cuts on patient care.

E. DEVELOPING THE ENTITY'S CAPACITY, INCLUDING THE CAPABILITY OF ITS LEADERSHIP AND THE INDIVIDUALS WITHIN IT

- The trust lacked a sense of collective responsibility for ensuring quality of care.
- Poor leadership, recruitment of staff and training led to declining professionalism and tolerance of poor standards.
- The trust board took false assurance from good news and tolerated/explained away bad news.
- Senior clinical staff were disengaged from the trust's leadership.

F. MANAGING RISKS AND PERFORMANCE THROUGH ROBUST INTERNAL CONTROL AND STRONG PUBLIC FINANCIAL MANAGEMENT

- Priority was given to ensuring the trust's books were in order for its foundation trust application.
- The purchaser/commissioning function was re-organised but a system to manage the inevitable risks was not put in place.
- Metrics focused on patient safety and outcome based performance measures were replaced with more indirect ones.

- It was unclear who had responsibility for following up peer review recommendations.

G. IMPLEMENTING GOOD PRACTICES IN TRANSPARENCY, REPORTING, AND AUDIT, TO DELIVER EFFECTIVE ACCOUNTABILITY

- The regulator relied on the trust's assurances regarding quality issues.
- External agency responsibilities and accountabilities were not well defined resulting in 'regulatory gaps'.
- Serious concerns raised by auditors were not picked up by the regulator and the Department of Health.
- Local scrutiny committees failed to appreciate the seriousness of the signs indicating the trust's deficiencies.

Barnsley College – a further education college in the North East of England

BACKGROUND

Barnsley College is a large tertiary college serving Barnsley and surrounding areas in South Yorkshire. In 2013/14 it had 9,550 students and generated an operating surplus of £1.35m.

Over recent years Barnsley College has undergone a massive redevelopment, with many superb new facilities available to students. Work on the Old Mill Lane campus was completed in 2011 and this now serves as the main campus building. The college invested just over £8.8m in capital projects in 2013/14.

In 2010, governance at Barnsley College was judged to be outstanding according to its inspection report. This case study describes the characteristics of this college's governance.

OVERVIEW – THE PROVIDER'S MESSAGE

Chair of Governors:

Following the crisis in 2000, three successive principals brought their particular focus and specialisms into play, until the college was judged outstanding in 2010. Along the way, the make-up, delivery and practice of governance changed too. But the biggest series of changes to the governing body and to governance itself has occurred since 2008.

THE GOOD PRACTICE IN DETAIL

Governance at Barnsley College was judged good in 2003 and 2007, and outstanding in 2010. The chair of governors at that time, Frank Johnston, was appointed in 2009, having been vice-chair for the previous seven years. He identified the catalyst for the transition from good to outstanding as a change to the practice of governance. There is a participative approach in which the chair, the board and the principal work together to achieve common goals. This partnership model is also central to the principal's approach to the wider leadership and management of the college.

The 2003 inspection report stated that "governors and senior managers set a clear strategic direction and give strong leadership", and the 2007 report that "the college is well led and governance is good, the principal and governors have reviewed the mission and strategic aims which now focus more clearly on learners and their achievements."

By 2010 the inspection report made it clear that governance had moved up a gear to outstanding:

Governors make a valuable contribution to setting a clear strategic direction and ambitious targets for the college. They understand the college and its context extremely well and monitor academic and financial performance rigorously. The full governing body considers curriculum and quality matters, which enables governors to have a clear strategic oversight of performance.

In the words of the chair:

The governing body is more concerned with outcomes than protocols; its model of governance is that the college is a business, the governors are non-executive directors and the principal is the executive director.

To make it work, the board embraced a participative, team-based approach in which governance is dynamic, business-minded and community-focused. The board's essential role remains traditional in the sense that it sets and reviews the college's mission, values and strategic priorities, but the framework within which it operates has been changed. It is highly structured and focused and incorporates the following features:

- The annual process of setting strategy begins with a two day governors' strategic seminar held in January. The seminar is the start of the process of updating the development plan, which is the key strategic document.
- The senior management team (SMT) formally proposes the college's strategic priorities to governors at the March board meeting. Once the strategic priorities are agreed, the SMT produces the following year's development plan which is presented to the board for approval in July.
- The development plan provides a challenging framework and articulates the strategic priorities agreed by the board in March.
- Progress against the development plan is monitored regularly by governors, the SMT and other managers. Throughout the year governors receive updates on specific developments such as external inspections and progress reports relating to specific strategies and action plans.

Within this structure, there is much else that is good practice. For example:

- Board papers and reports are as succinct as possible, as are most documents produced for governors' consideration.
- Governors receive briefing packs on events and progress between board meetings.
- A link governor scheme involves governors making one or more linked visits to the college each year after which governors provide written feedback for the governing body and the principal. Each visit is linked to a strategic priority.
- Governors undergo a formal interview process and their skills are assessed against a skills matrix. Vacancies are advertised and targeted at community groups or employers when specific skills are sought.
- Individual appraisals for governors have been introduced.
- Governors produce an annual self-assessment report using a ten-point checklist.

Stakeholder engagement

The following is taken from an example provided by the Institute of Internal Auditors – Australia. It shows how an organisation can develop a stakeholder relationship and communication plan.

A public sector entity introduced a plan to identify and categorise its stakeholders. Stakeholder power was determined along with attention and influence. By initiating communication and stakeholder management, the entity can now identify and manage mutual interests more effectively while accomplishing organisational objectives.

The benefits of a stakeholder management system include the following:

- The most influential stakeholders are identified and their input can then be used to support the entity.
- Support from the most influential stakeholders will assist the entity in achieving its objectives.
- By frequently communicating with stakeholders, the entity can ensure that it fully understands the benefits offered as well as the associated costs.
- The entity can anticipate likely reactions of stakeholders to organisational communications and progress more effectively, and can build into its strategy the actions that will be needed to capitalise on positive reaction while avoiding or addressing any negative reactions.
- The entity can identify conflicting objectives among stakeholders and develop a strategy to resolve any issues that arise.

Includem

This case study illustrates how a small charity in Scotland ensures that its values are embedded across the organisation. CIPFA carried out a governance assessment at Includem in 2015 and this case study is drawn from the findings.

BACKGROUND

Includem is a registered charity constituted as a limited company under the Companies Act 2006. It has an annual turnover of £3.8m and employs 90 staff mainly in the west of Scotland. It provides one-to-one support to society's most vulnerable and troubled young people, providing intensive support in the community to around 400 young people each year across Scotland. It works primarily to support young people aged 12 to 18 who are subject to formal measures of care and who are looked after at home or in other community placements. Most of Includem's work is commissioned by local councils and grant awarding bodies.

Includem recognises the need not just to be a supplier of services to local government, but also to share the same values as its client councils and seek common outcomes for citizens.

EMBEDDING CORE VALUES

Includem's values are explicit, easily understood and memorable. The application of those values is apparent in the following ways:

- Testing candidates during recruitment exercises to see if they share the same values. This involves staff at different functions and levels (not just line managers) in the selection process.
- Reviewing again knowledge of values during annual appraisals and monitoring behaviours and staff conduct to ensure consistency with those values.
- Using a monitoring system specifically designed to oversee the welfare and protection of young people (one of the main risks at Includem).
- Involving all staff (including 'back office' personnel) in annual events who engage with their young people and their families, to celebrate success and share in positive outcomes which helps to further the entity's values.
- Ensuring the values and purpose of Includem are widely known by all staff and board members.
- Ensuring that at board meetings young people are the main focus of discussions and that decisions taken are about sustaining the services provided to them.

Northern Ireland Events Company

This case study illustrates what can happen when an organisation loses sight of its core purpose. It highlights the risks when setting up new public bodies and problems with strategic drift.

Analysis of The Northern Ireland Events Company (2015), a report produced by the Northern Ireland Audit Office (NIAO), shows that the Northern Ireland Events Company (NIEC) displayed weaknesses in almost all aspects of governance, including:

- a lack of scrutiny and oversight
- examples of conflicts of interest
- deficits caused by financial mismanagement
- failure to uphold ethical standards
- an unacceptable level of performance and accountability by the accounting officer.

Among a catalogue of failure was that NIEC lost sight of its original purpose. It was incorporated as a limited liability company with a remit to support major events in Northern Ireland. Its main source of funding was provided by central government and it was controlled by a board of publicly appointed non-executive directors. Day to day management was carried out by an executive management team, headed by a chief executive, who was also appointed accounting officer by the sponsor department.

Originally, NIEC was established because government believed that a separate events organisation, sponsored and funded by a government department, could attract private sector investment and be at 'arm's-length' from government. It was therefore established as a private company limited by guarantee.

A major contributing factor to the failure of NIEC was a change in strategic direction to take ownership of and promote events, as well as to grant fund events. Initially, NIEC primarily provided grant funding to external event organisers who took the bulk of the risk relating to events and limiting any losses to the amount of grant provided to organisers. However, within five years of being established, NIEC began to become involved in promotional activities related to major events, motocross events being one example. In promoting events NIEC contracted directly with, and paid fees to, rights holders. It also contracted directly with and paid suppliers for goods and services. This change in strategic direction greatly increased the financial risk to which NIEC was exposed.

Investigations, notably by company inspectors appointed by the Department of Enterprise, Trade and Investment (DETI) under Article 425(2) of the Companies (Northern Ireland) Order 1986, found no evidence that the change in strategic direction from grant funder (with limited liabilities) to a promoter (with unlimited liabilities) was supported by a NIEC board decision or approved by the sponsor government department. Instead, it appears that the change came about as a result of 'strategic drift' over a period of time. According to the auditors, some board members told company inspectors that they were unaware that NIEC was promoting events. Having failed to identify the significant change in business activities, the board did not recognise the increased financial and operational risk that this change brought with it.

ANNUAL GOVERNANCE STATEMENTS

Reporting

- 4.3** Local authorities are required to prepare a governance statement in accordance with *Delivering Good Governance in Local Government: Framework* and to report publicly on the extent to which they comply with their own code of governance on an annual basis, including how they have monitored the effectiveness of their governance arrangements in the year, and on any planned changes in the coming period. The process of preparing the governance statement should itself add value to the governance and internal control framework of an organisation.
- 4.4** Key good practice features of an annual governance statement are described below:
- The statement has been properly approved.
 - It is regarded as a valuable means of communications which will enable stakeholders to understand the authority's governance arrangements.
 - It is easily accessible by authority members and members of the public, for example:
 - through its prominent display on the authority's website
 - publishing it with, but separately from, the statement of accounts.
 - It has been clearly thought out and reflects the vision, character and structure of the authority, ie the big picture and not the detail.
 - It demonstrates ownership by the authority and has a high status within senior management.
 - It is a genuinely shared effort with wide input from outside the finance and audit functions.
 - It is a key document for showing how the authority is achieving its strategic objectives.
 - It is in an open and readable style.
 - It demonstrates challenge.
 - Issues are clearly articulated and it communicates a clear and concise message.
 - Weaknesses together with areas for improvement are highlighted.
 - It clearly communicates what has been done to resolve significant control issues and what remains to be done.
 - Actions identified are specific, measurable, achievable, realistic and time-related (SMART).
 - Responsibility for those actions is clearly identified.
 - It is a 'living' document, ie it is not focused exclusively on year end and communicates significant issues which may change from year to year.
- 4.5** Other innovative features might include the following:
- Good use of diagrams to communicate the message more effectively and reduce the need for text.
 - Use of hyperlinks to key governance documents to facilitate a brief and more user friendly statement.

Examples

4.6 Set out below are some recent annual governance statements (AGSs) from the following organisations that illustrate some of the points summarised above:

- London Borough of Lewisham
- Milton Keynes Council
- Huntingdonshire District Council
- Kent Fire and Rescue Service

London Borough of Lewisham – extract from AGS 2014/15

HOW HAS THIS STATEMENT BEEN PREPARED?

Every year a review of the effectiveness of the council's governance framework is conducted by the annual governance statement working party which comprises a team of policy, legal and audit officers with expertise in governance and internal control matters. The group meets quarterly to collate and evaluate governance evidence and identify areas requiring action, and is responsible for analysing CIPFA/Solace guidance in relation to the development of this statement and ensuring that the statement is approved via the council's key control mechanisms.

WHAT ARE THE COUNCIL'S GOVERNANCE ARRANGEMENTS?

The council's governance arrangements aim to foster:

- effective leadership and high standards of behaviour
- a culture based on openness and honesty
- an external focus on the needs of service users and the public.

Lewisham's directly elected mayor provides the council with clear strategic direction and effective leadership, but the council also benefits from the perspectives and contributions of its 54 councillors.

The council's constitution clearly defines the roles of councillors and officers, and this clarity contributes to effective working relationships across the council. The constitution working party, the standards committee and the audit panel monitor and challenge the governance arrangements and ensure their robustness. The council has worked closely with its partners, both strategic and operational, primarily through the Lewisham congress, which had its first annual meeting in October 2014.

The council has two statutory partnership boards:

1. The safer Lewisham partnership, which works to protect the community from crime and help people feel safer.
2. The health and wellbeing board, which works to identify local health challenges and lead on the activity necessary to address them.

Milton Keynes Council – extract from AGS 2013/14

Annual Governance Statement Action Plan 2013/14

Issue	Action	Outcome	Lead Officer	Completion Date
1 There is a budget gap as identified in The Medium Term Financial Plan	Effective process used for managing budgets and monitoring and achieving identified savings	2014/15 outturn in line with budget and forecasts Balanced budget set for 2015/16 Action plan in place to address budget gap for future years	Corporate Director Resources/ AD Financial Management	March 2015
2 There will be a new administration after several years	Cabinet members are fully briefed on relevant issues. Officers and members are aware of, and conform to, the member/officer protocol.	Effective transition of Leadership	CLT/ Council Leader	September 2014
3 Officers working across new boundaries	Council processes aligned to the new boundaries	Members issues are referred to the correct member in the first instance	CLT	June 2014
4 A significant number of new members	Effective training delivered to all members. Clarity of roles and responsibilities to be provided.	Role profiles agreed and in place. Newly elected members in receipt of personal development plans and to have received appropriate training	AD Law & Governance/ Member & Electoral Services Manager	December 2014
5 Overview and Scrutiny arrangements are not effective in holding the Executive to account and developing policy.	To undertake a review of existing arrangements, and agree on issues, solutions and way forward.	Agreed timescale for implementation of proposal	AD Law & Governance/ Committee Services & Scrutiny Manager	January 2015
6 Transition resulting from appointment of a new Chief Executive and a further four members of the Senior Leadership Team	Processes are in place to manage the changes at Senior level to ensure new officers fully deliver their roles and responsibilities effectively.	Senior Officers in post on permanent appointments. Seamless transition for the Council with no adverse impact to service delivery.	CLT/ HR Service Delivery Manager	December 2014
7 The Council's Code of Corporate Governance has not been updated since 2010.	A review of the Council's Code of Corporate Governance to be undertaken to ensure that it describes the Council's governance framework and the arrangements through which this is delivered.	A fit for purpose Code of Corporate Governance which is complied with.	CLT/ Corporate Director Resources	March 2015
8 Increased reliance on a wide range of Partners to work with the Council to deliver key services e.g. health	The process for overseeing and monitoring key partnerships is effective	Annual review provides assurance of effective partnership governance arrangements	CLT/ Head of Policy & Performance	January 2015
9 An increasing number of core services are being delivered through large and complex contracts.	Arrangements for effective contract management are in place.	Internal Audit to provide at least a satisfactory opinion on audits of large contracts	CLT/ AD Public Realm	December 2014
10 There is a need to demonstrate that proposed benefits are achieved from major programmes and projects.	Arrangements are in place to formally evaluate benefits gained from all major programmes and projects.	Benefits realisation review undertaken providing at least satisfactory opinion	CLT	December 2014

Huntingdonshire District Council – extract from AGS 2013/14

The following action has been taken:

- The programme and project management toolkit was approved by the project management working board and launched in June 2014.
- The managing director attended the July 2014 panel meeting and explained how a culture of compliance was being promoted and that the new management team would be charged with delivery of the audit actions as a priority.
- The management team formally consider all audit reports that have been given 'limited' or 'little' assurance opinions and agree with the relevant manager those improvements that need to be made.
- The head of resources has appointed temporary staff to the debtors team to deal with the issues identified by internal audit.
- Each year the panel considers how effective it has been in overseeing the council's governance arrangements.

This governance statement is reported to council once it has been approved. The chair of the panel submits a report to the same council meeting which summarises the work of the panel, so allowing the council to take comfort that key governance processes are being reviewed.

Kent Fire and Rescue Service – extract from AGS 2014/15. Principle 5: Develop the capacity and capability of Members and Officers to be effective and to deliver services effectively

Principle 5: Develop the capacity and capability of Members and Officers to be effective and to deliver services effectively		
How We Meet these Principles	Where You Can See Governance in action	Assurance Received and Issues Identified
- We provide all staff with role maps or job descriptions setting out their duties clearly and document the personal qualities and attributes required for each post. - We operate an appraisal scheme for all staff to identify development and skills needs and assess performance. - We produce a Workforce Strategy setting out the key objectives for developing and training our staff. - We operate a protocol to govern the relationship between Members and officers that ensures access to appropriate information. - We treat everyone fairly and equally. - We take the Health and Safety of our Staff extremely seriously. - We provide new Members with induction training on appointment. - We evaluate the training needs of Members and run briefings on key topics to ensure they have the knowledge and information to make effective decisions.	Our Current Vacancies Adverts Workforce Strategy 2013-2017 Convention on Member/Officer Relations Equality and Diversity Vision and Objectives Corporate Health Indicators Member Training Programme	 A programme of training and briefing sessions for elected Members has been agreed to ensure Members remain up to date with current issues, are clear about their roles, and have sufficient information to make informed decisions. The qualifications, skills, behaviours and personal attributes required by staff in their roles are identified and documented, and reviewed annually. All employees receive annual appraisals which include an assessment of future training and development needs.  The current economic situation is likely to continue to see a reduction in the number of staff employed by the Authority. We have identified that this presents a potential risk to our ability to retain the skills and experience needed, and to identify suitable candidates for promotion in the future. Measures are being implemented to combat this risk.

EMBEDDING GOOD GOVERNANCE – GENERAL POINTS

Introduction

- 4.7** *Delivering Good Governance in Local Government: Framework* (CIPFA/Solace, 2016) notes that it is crucial that governance arrangements are applied in a way that demonstrates the spirit and ethos of good governance which cannot be achieved by rules and procedures alone. Effectively, good governance needs to be embedded in an organisation. It needs to permeate every aspect of the organisation's culture. Therefore 'hearts and minds' must be won over – the need for and value of good governance must be explicit.
- 4.8** This section of the guidance notes provides some issues to consider in ensuring that good governance is appropriately embedded.

Issues to consider

- How is governance perceived in your organisation? Is it regarded as an enabler in terms of innovation or a barrier to it?
- How has the organisation tried to embed good governance in its culture? Has this been successful?
- Are the benefits of good governance transparent in your organisation? For example:
 - better informed and improved decision making
 - clear demonstration of integrity and probity
 - clear focus on outcomes
 - developing a risk management culture.
- How are the benefits of good governance communicated to those who may not be aware of them including some members and senior officers?
- How does the organisation engage with its members on governance issues? How might this be improved?
- Do managers and officers feel free to raise any concerns that they might have?
- Is the organisation's code of governance accessible? Is it easy to understand?
- How are good governance principles communicated to the organisation's contractors and partners? How effective is that communication?
- How is the importance of maintaining standards communicated? Is it successful?
- Is appropriate induction and training available to those who need it?
- Does the concept of good governance have support from the top of the organisation – the chief executive and leader? How do they demonstrate this?
- How are the political groups involved in developing and maintaining good governance?
- How does the organisation ensure that governance structures continue to be up to date and relevant? For example, decision making frameworks, roles and responsibilities and schemes of delegation.
- What is the monitoring officer's role in enabling and facilitating good governance?

USE OF INFORMATION AND COMMUNICATION TECHNOLOGY (ICT)

4.9 Reinforced by the use of appropriate social media and other communication and consultation techniques, ICT can promote good governance in three basic ways, according to [Information Technology for Good Governance](#) (2001):

1. Increasing transparency, information, and accountability.
2. Facilitating accurate decision making and public participation.
3. Enhancing the efficient delivery of public goods and services.

4.10 Deployment of new technology can also pose serious risks, however, and cause many problems when either the technical or organisational aspects of its implementation and operation are not properly planned and managed. The right skills will be required both during and after implementation. The governing body should approve the ICT strategy and ensure there is appropriate oversight of ICT projects. It should also make sure that senior management sufficiently addresses ICT security, and specifically cyber security, whether developed in-house or outsourced.

Schedule to assist in putting the principles into practice

- 5.1** The following section looks at examples of the systems, processes and documents that might be cited by an authority as evidence of compliance with good practice.
- 5.2** The illustrative table below includes the following:
- Columns 1 and 2 reproduced from [Delivering Good Governance in Local Government: Framework](#) (CIPFA/Solace, 2016) illustrating:
 - the core principles and sub-principles of good governance and the behaviours and actions that demonstrate good governance.
 - Column 3 outlining:
 - examples of systems, processes and documentation and other evidence that may be used to demonstrate compliance (for illustration purposes only)
 - self-assessment tools and sources of further guidance.
- 5.3** If using this approach, it should be stressed that authorities will need to assess how far their processes and documentation meet the criteria suggested, otherwise the exercise will become a box-ticking process rather than a qualitative exercise. One way to make the exercise more challenging would be to score the authority's arrangements on a scale of 0 to 10, where 10 represents very best practice. This could be done by adding two extra columns – one for a self-assessment score and one to add plans for improvement.
- 5.4** Authorities might find this a practical way of approaching the task. Authorities should not, however, feel constrained by either the format or the examples listed.

Schedule to assist in putting the principles of good governance into practice

1. Principles of good governance (in bold)	2. Sub-principles (in bold) and behaviours and actions that demonstrate good governance in practice	3. Examples of systems, processes, documentation and other evidence demonstrating compliance (also includes self-assessment tools and sources of further guidance)
Acting in the public interest requires a commitment to and effective arrangements for:		
A. Behaving with integrity, demonstrating strong commitment to ethical values, and respecting the rule of law Local government organisations are accountable not only for how much they spend, but also for how they use the resources under their stewardship. This includes accountability for outputs, both positive and negative, and for the outcomes they have achieved. In addition, they have an overarching responsibility to serve the public interest in adhering to the requirements of legislation and government policies. It is essential that, as a whole, they can demonstrate the appropriateness of all their actions and have mechanisms in place to encourage and enforce adherence to ethical values and to respect the rule of law.	Behaving with integrity Ensuring members and officers behave with integrity and lead a culture where acting in the public interest is visibly and consistently demonstrated thereby protecting the reputation of the organisation	- Codes of conduct - Individual sign off with regard to compliance with code - Induction for new members and staff on standard of behaviour expected - Performance appraisals
	Ensuring members take the lead in establishing specific standard operating principles or values for the organisation and its staff and that they are communicated and understood. These should build on the Seven Principles of Public Life (the Nolan Principles)	Communicating shared values with members, staff, the community and partners
	Leading by example and using these standard operating principles or values as a framework for decision making and other actions	- Decision making practices - Declarations of interests made at meetings - Conduct at meetings - Shared values guide decision making - Develop and maintain an effective standards committee
	Demonstrating, communicating and embedding the standard operating principles or values through appropriate policies and processes which are reviewed on a regular basis to ensure that they are operating effectively	- Anti-fraud and corruption policies are working effectively - Up-to-date register of interests (members and staff) - Up-to-date register of gifts and hospitality - Whistleblowing policies are in place and protect individuals raising concerns - Whistleblowing policy has been made available to members of the public, employees, partners and contractors

1. Principles of good governance (in bold)	2. Sub-principles (in bold) and behaviours and actions that demonstrate good governance in practice	3. Examples of systems, processes, documentation and other evidence demonstrating compliance (also includes self-assessment tools and sources of further guidance)
		■ Complaints policy and examples of responding to complaints about behaviour ■ Changes/improvements as a result of complaints received and acted upon ■ Members and officers code of conduct refers to a requirement to declare interests ■ Minutes show declarations of interest were sought and appropriate declarations made
	Demonstrating strong commitment to ethical values	
	■ Seeking to establish, monitor and maintain the organisation's ethical standards and performance	■ Scrutiny of ethical decision making ■ Championing ethical compliance at governing body level
	■ Underpinning personal behaviour with ethical values and ensuring they permeate all aspects of the organisation's culture and operation	■ Provision of ethical awareness training
	■ Developing and maintaining robust policies and procedures which place emphasis on agreed ethical values	■ Appraisal processes take account of values and ethical behaviour ■ Staff appointments policy ■ Procurement policy
	■ Ensuring that external providers of services on behalf of the organisation are required to act with integrity and in compliance with high ethical standards expected by the organisation	■ Agreed values in partnership working: – Statement of business ethics communicates commitment to ethical values to external suppliers – Ethical values feature in contracts with external service providers ■ Protocols for partnership working
	Respecting the rule of law	
	■ Ensuring members and staff demonstrate a strong commitment to the rule of the law as well as adhering to relevant laws and regulations	■ Statutory provisions ■ Statutory guidance is followed ■ Constitution

1. Principles of good governance (in bold)	2. Sub-principles (in bold) and behaviours and actions that demonstrate good governance in practice	3. Examples of systems, processes, documentation and other evidence demonstrating compliance (also includes self-assessment tools and sources of further guidance)
	■ Creating the conditions to ensure that the statutory officers, other key post holders and members are able to fulfil their responsibilities in accordance with legislative and regulatory requirements	■ Job description/specifications ■ Compliance with CIPFA's <i>Statement on the Role of the Chief Financial Officer in Local Government</i> (CIPFA, 2015) ■ Terms of reference ■ Committee support
	■ Striving to optimise the use of the full powers available for the benefit of citizens, communities and other stakeholders	■ Record of legal advice provided by officers
	■ Dealing with breaches of legal and regulatory provisions effectively	■ Monitoring officer provisions ■ Record of legal advice provided by officers ■ Statutory provisions
	■ Ensuring corruption and misuse of power are dealt with effectively	■ Effective anti-fraud and corruption policies and procedures ■ Local test of assurance (where appropriate)
		Further guidance ■ <i>Statement on the Role of the Chief Financial Officer in Local Government</i> (CIPFA, 2015) ■ <i>Illustrative Text for Local Code of Conduct</i> (DCLG, 2012) ■ <i>LGA Template Code of Conduct</i> ■ <i>Code of Ethics for Local Public Service Managers – Consultation</i> (Solace, 2015) ■ <i>Code of Practice on Managing the Risk of Fraud and Corruption</i> (CIPFA, 2014) ■ <i>Code of Practice on Managing the Risk of Fraud and Corruption: Guidance Notes</i> (CIPFA, 2014) ■ <i>Ethics in Practice: Promoting Ethical Standards in Public Life</i> (Committee on Standards in Public Life, 2014) ■ <i>Standards Matter: A Review of Best Practice in Promoting Good Behaviour in Public Life</i> (Committee on Standards in Public Life, 2013)

1. Principles of good governance (in bold)	2. Sub-principles (in bold) and behaviours and actions that demonstrate good governance in practice	3. Examples of systems, processes, documentation and other evidence demonstrating compliance (also includes self-assessment tools and sources of further guidance)
B. Ensuring openness and comprehensive stakeholder engagement Local government is run for the public good, organisations therefore should ensure openness in their activities. Clear, trusted channels of communication and consultation should be used to engage effectively with all groups of stakeholders, such as individual citizens and service users, as well as institutional stakeholders.	Openness ■ Ensuring an open culture through demonstrating, documenting and communicating the organisation's commitment to openness	■ Annual report ■ Freedom of Information Act publication scheme ■ Online council tax information ■ Authority's goals and values ■ Authority website
	■ Making decisions that are open about actions, plans, resource use, forecasts, outputs and outcomes. The presumption is for openness. If that is not the case, a justification for the reasoning for keeping a decision confidential should be provided	■ Record of decision making and supporting materials
	■ Providing clear reasoning and evidence for decisions in both public records and explanations to stakeholders and being explicit about the criteria, rationale and considerations used. In due course, ensuring that the impact and consequences of those decisions are clear	■ Decision making protocols ■ Report pro-formas ■ Record of professional advice in reaching decisions ■ Meeting reports show details of advice given ■ Discussion between members and officers on the information needs of members to support decision making ■ Agreement on the information that will be provided and timescales ■ Calendar of dates for submitting, publishing and distributing timely reports is adhered to
	■ Using formal and informal consultation and engagement to determine the most appropriate and effective interventions/ courses of action	■ Community strategy ■ Use of consultation feedback ■ Citizen survey

1. Principles of good governance (in bold)	2. Sub-principles (in bold) and behaviours and actions that demonstrate good governance in practice	3. Examples of systems, processes, documentation and other evidence demonstrating compliance (also includes self-assessment tools and sources of further guidance)
	Engaging comprehensively with institutional stakeholders	
	Effectively engaging with institutional stakeholders to ensure that the purpose, objectives and intended outcomes for each stakeholder relationship are clear so that outcomes are achieved successfully and sustainably	Communication strategy
	Developing formal and informal partnerships to allow for resources to be used more efficiently and outcomes achieved more effectively	Database of stakeholders with whom the authority should engage and for what purpose and a record of an assessment of the effectiveness of any changes
	- Ensuring that partnerships are based on: - trust - a shared commitment to change - a culture that promotes and accepts challenge among partners and that the added value of partnership working is explicit	- Partnership framework - Partnership protocols
	Engaging stakeholders effectively, including individual citizens and service users	
	Establishing a clear policy on the type of issues that the organisation will meaningfully consult with or involve individual citizens, service users and other stakeholders to ensure that service (or other) provision is contributing towards the achievement of intended outcomes.	- Record of public consultations - Partnership framework

1. Principles of good governance (in bold)	2. Sub-principles (in bold) and behaviours and actions that demonstrate good governance in practice	3. Examples of systems, processes, documentation and other evidence demonstrating compliance (also includes self-assessment tools and sources of further guidance)
	■ Ensuring that communication methods are effective and that members and officers are clear about their roles with regard to community engagement	■ Communications strategy
	■ Encouraging, collecting and evaluating the views and experiences of communities, citizens, service users and organisations of different backgrounds including reference to future needs	■ Communications strategy ■ Joint strategic needs assessment
	■ Implementing effective feedback mechanisms in order to demonstrate how their views have been taken into account	■ Communications strategy
	■ Balancing feedback from more active stakeholder groups with other stakeholder groups to ensure inclusivity	■ Processes for dealing with competing demands within the community, for example a consultation
	■ Taking account of the interests of future generations of tax payers and service users	■ Reports ■ Joint strategic needs assessment
		Further guidance ■ Good Governance Principles for Partnership Working (Audit Scotland, 2011) ■ Community Planning Toolkit – Working Together, Community Places through the Support of the Big Lottery Fund (2014)

1. Principles of good governance (in bold)	2. Sub-principles (in bold) and behaviours and actions that demonstrate good governance in practice	3. Examples of systems, processes, documentation and other evidence demonstrating compliance (also includes self-assessment tools and sources of further guidance)
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In addition to the overarching requirements for acting in the public interest in principles A and B, achieving good governance in local government also requires effective arrangements for:

C. Defining outcomes in terms of sustainable economic, social, and environmental benefits

The long-term nature and impact of many of local government's responsibilities mean that it should define and plan outcomes and that these should be sustainable. Decisions should further the authority's purpose, contribute to intended benefits and outcomes, and remain within the limits of authority and resources. Input from all groups of stakeholders, including citizens, service users, and institutional stakeholders, is vital to the success of this process and in balancing competing demands when determining priorities for the finite resources available.

Defining outcomes

■ Having a clear vision which is an agreed formal statement of the organisation's purpose and intended outcomes containing appropriate performance indicators, which provides the basis for the organisation's overall strategy, planning and other decisions	■ Vision used as a basis for corporate and service planning
■ Specifying the intended impact on, or changes for, stakeholders including citizens and service users. It could be immediately or over the course of a year or longer	■ Community engagement and involvement ■ Corporate and service plans ■ Community strategy
■ Delivering defined outcomes on a sustainable basis within the resources that will be available	■ Regular reports on progress
■ Identifying and managing risks to the achievement of outcomes	■ Performance trends are established and reported upon ■ Risk management protocols
■ Managing service users expectations effectively with regard to determining priorities and making the best use of the resources available	■ An agreed set of quality standard measures for each service element and included in service plans ■ Processes for dealing with competing demands within the community

1. Principles of good governance (in bold)	2. Sub-principles (in bold) and behaviours and actions that demonstrate good governance in practice	3. Examples of systems, processes, documentation and other evidence demonstrating compliance (also includes self-assessment tools and sources of further guidance)
	Sustainable economic, social and environmental benefits	■ Capital investment is structured to achieve appropriate life spans and adaptability for future use or that resources (eg land) are spent on optimising social, economic and environmental wellbeing: – Capital programme – Capital investment strategy
	■ Considering and balancing the combined economic, social and environmental impact of policies, plans and decisions when taking decisions about service provision	■ Taking a longer-term view with regard to decision making, taking account of risk and acting transparently where there are potential conflicts between the organisation's intended outcomes and short-term factors such as the political cycle or financial constraints ■ Discussion between members and officers on the information needs of members to support decision making ■ Record of decision making and supporting materials
	■ Determining the wider public interest associated with balancing conflicting interests between achieving the various economic, social and environmental benefits, through consultation where possible, in order to ensure appropriate trade-offs	■ Record of decision making and supporting materials ■ Protocols for consultation
	■ Ensuring fair access to services	■ Protocols ensure fair access and statutory guidance is followed Further guidance ■ Building Partnerships: Insights from the Devolution Summit (CIPFA/Grant Thornton, 2015)

1. Principles of good governance (in bold)	2. Sub-principles (in bold) and behaviours and actions that demonstrate good governance in practice	3. Examples of systems, processes, documentation and other evidence demonstrating compliance (also includes self-assessment tools and sources of further guidance)
D. Determining the interventions necessary to optimise the achievement of the intended outcomes Local government achieves its intended outcomes by providing a mixture of legal, regulatory, and practical interventions. Determining the right mix of these courses of action is a critically important strategic choice that local government has to make to ensure intended outcomes are achieved. They need robust decision-making mechanisms to ensure that their defined outcomes can be achieved in a way that provides the best trade-off between the various types of resource inputs while still enabling effective and efficient operations. Decisions made need to be reviewed continually to ensure that achievement of outcomes is optimised.	Determining interventions ■ Ensuring decision makers receive objective and rigorous analysis of a variety of options indicating how intended outcomes would be achieved and including the risks associated with those options. Therefore ensuring best value is achieved however services are provided	■ Discussion between members and officers on the information needs of members to support decision making ■ Decision making protocols ■ Option appraisals ■ Agreement of information that will be provided and timescales
	■ Considering feedback from citizens and service users when making decisions about service improvements or where services are no longer required in order to prioritise competing demands within limited resources available including people, skills, land and assets and bearing in mind future impacts	■ Financial strategy
	Planning interventions ■ Establishing and implementing robust planning and control cycles that cover strategic and operational plans, priorities and targets	■ Calendar of dates for developing and submitting plans and reports that are adhered to
	■ Engaging with internal and external stakeholders in determining how services and other courses of action should be planned and delivered	■ Communication strategy
	■ Considering and monitoring risks facing each partner when working collaboratively including shared risks	■ Partnership framework ■ Risk management protocol
	■ Ensuring arrangements are flexible and agile so that the mechanisms for delivering outputs can be adapted to changing circumstances	■ Planning protocols

1. Principles of good governance (in bold)	2. Sub-principles (in bold) and behaviours and actions that demonstrate good governance in practice	3. Examples of systems, processes, documentation and other evidence demonstrating compliance (also includes self-assessment tools and sources of further guidance)
	■ Establishing appropriate key performance indicators (KPIs) as part of the planning process in order to identify how the performance of services and projects is to be measured	■ KPIs have been established and approved for each service element and included in the service plan and are reported upon regularly
	■ Ensuring capacity exists to generate the information required to review service quality regularly	■ Reports include detailed performance results and highlight areas where corrective action is necessary
	■ Preparing budgets in accordance with organisational objectives, strategies and the medium term financial plan	■ Evidence that budgets, plans and objectives are aligned
	■ Informing medium and long term resource planning by drawing up realistic estimates of revenue and capital expenditure aimed at developing a sustainable funding strategy	■ Budget guidance and protocols ■ Medium term financial plan ■ Corporate plans
	Optimising achievement of intended outcomes ■ Ensuring the medium term financial strategy integrates and balances service priorities, affordability and other resource constraints	■ Feedback surveys and exit/decommissioning strategies ■ Changes as a result
	■ Ensuring the budgeting process is all-inclusive, taking into account the full cost of operations over the medium and longer term	■ Budgeting guidance and protocols

1. Principles of good governance (in bold)	2. Sub-principles (in bold) and behaviours and actions that demonstrate good governance in practice	3. Examples of systems, processes, documentation and other evidence demonstrating compliance (also includes self-assessment tools and sources of further guidance)
	■ Ensuring the medium term financial strategy sets the context for ongoing decisions on significant delivery issues or responses to changes in the external environment that may arise during the budgetary period in order for outcomes to be achieved while optimising resource usage ■ Ensuring the achievement of 'social value' through service planning and commissioning. The Public Services (Social Value) Act 2012 states that this is "the additional benefit to the community...over and above the direct purchasing of goods, services and outcomes"	■ Financial strategy ■ Service plans demonstrate consideration of 'social value' ■ Achievement of 'social value' is monitored and reported upon

1. Principles of good governance (in bold)	2. Sub-principles (in bold) and behaviours and actions that demonstrate good governance in practice	3. Examples of systems, processes, documentation and other evidence demonstrating compliance (also includes self-assessment tools and sources of further guidance)
E. Developing the entity's capacity, including the capability of its leadership and the individuals within it Local government needs appropriate structures and leadership, as well as people with the right skills, appropriate qualifications and mindset, to operate efficiently and effectively and achieve their intended outcomes within the specified periods. A local government organisation must ensure that it has both the capacity to fulfill its own mandate and to make certain that there are policies in place to guarantee that its management has the operational capacity for the organisation as a whole. Because both individuals and the environment in which an authority operates will change over time, there will be a continuous need to develop its capacity as well as the skills and experience of the leadership of individual staff members. Leadership in local government entities is strengthened by the participation of people with many different types of backgrounds, reflecting the structure and diversity of communities.	Developing the entity's capacity	
	■ Reviewing operations, performance use of assets on a regular basis to ensure their continuing effectiveness	■ Regular reviews of activities, outputs and planned outcomes
	■ Improving resource use through appropriate application of techniques such as benchmarking and other options in order to determine how the authority's resources are allocated so that outcomes are achieved effectively and efficiently	■ Utilisation of research and benchmarking exercise
	■ Recognising the benefits of partnerships and collaborative working where added value can be achieved	■ Effective operation of partnerships which deliver agreed outcomes
	■ Developing and maintaining an effective workforce plan to enhance the strategic allocation of resources	■ Workforce plan ■ Organisational development plan
	Developing the capability of the entity's leadership and other individuals	
	■ Developing protocols to ensure that elected and appointed leaders negotiate with each other regarding their respective roles early on in the relationship and that a shared understanding of roles and objectives is maintained	■ Job descriptions ■ Chief executive and leader pairings have considered how best to establish and maintain effective communication
	■ Publishing a statement that specifies the types of decisions that are delegated and those reserved for the collective decision making of the governing body	■ Scheme of delegation reviewed at least annually in the light of legal and organisational changes ■ Standing orders and financial regulations which are reviewed on a regular basis

1. Principles of good governance (in bold)	2. Sub-principles (in bold) and behaviours and actions that demonstrate good governance in practice	3. Examples of systems, processes, documentation and other evidence demonstrating compliance (also includes self-assessment tools and sources of further guidance)
	■ Ensuring the leader and the chief executive have clearly defined and distinctive leadership roles within a structure whereby the chief executive leads the authority in implementing strategy and managing the delivery of services and other outputs set by members and each provides a check and a balance for each other's authority	■ Clear statement of respective roles and responsibilities and how they will be put into practice
	■ Developing the capabilities of members and senior management to achieve effective shared leadership and to enable the organisation to respond successfully to changing legal and policy demands as well as economic, political and environmental changes and risks by: – ensuring members and staff have access to appropriate induction tailored to their role and that ongoing training and development matching individual and organisational requirements is available and encouraged	■ Access to update courses/ information briefings on new legislation ■ Induction programme ■ Personal development plans for members and officers

1. Principles of good governance (in bold)	2. Sub-principles (in bold) and behaviours and actions that demonstrate good governance in practice	3. Examples of systems, processes, documentation and other evidence demonstrating compliance (also includes self-assessment tools and sources of further guidance)
	– ensuring members and officers have the appropriate skills, knowledge, resources and support to fulfil their roles and responsibilities and ensuring that they are able to update their knowledge on a continuing basis – ensuring personal, organisational and system-wide development through shared learning, including lessons learnt from governance weaknesses both internal and external	■ For example, for members this may include the ability to: – scrutinise and challenge – recognise when outside expert advice is required – promote trust – work in partnership – lead the organisation – act as a community leader ■ Efficient systems and technology used for effective support ■ Arrangements for succession planning
	■ Ensuring that there are structures in place to encourage public participation	■ Residents' panels ■ Stakeholder forum terms of reference ■ Strategic partnership frameworks
	■ Taking steps to consider the leadership's own effectiveness and ensuring leaders are open to constructive feedback from peer review and inspections	■ Reviewing individual member performance on a regular basis taking account of their attendance and considering any training or development needs ■ Peer reviews
	■ Holding staff to account through regular performance reviews which take account of training or development needs	■ Training and development plan ■ Staff development plans linked to appraisals ■ Implementing appropriate human resource policies and ensuring that they are working effectively

1. Principles of good governance (in bold)	2. Sub-principles (in bold) and behaviours and actions that demonstrate good governance in practice	3. Examples of systems, processes, documentation and other evidence demonstrating compliance (also includes self-assessment tools and sources of further guidance)
	■ Ensuring arrangements are in place to maintain the health and wellbeing of the workforce and support individuals in maintaining their own physical and mental wellbeing	■ Human resource policies Further guidance ■ Devo Why? Devo How? Guidance (and Some Answers) About Governance Under English Devolution (Centre for Public Scrutiny, 2015) ■ Responding to the Challenge: Alternative Delivery Models in Local Government (Grant Thornton, 2014) ■ The Excellent Finance Business Partner (CIPFA, 2015)

1. Principles of good governance (in bold)	2. Sub-principles (in bold) and behaviours and actions that demonstrate good governance in practice	3. Examples of systems, processes, documentation and other evidence demonstrating compliance (also includes self-assessment tools and sources of further guidance)
F. Managing risks and performance through robust internal control and strong public financial management Local government needs to ensure that the organisations and governance structures that it oversees have implemented, and can sustain, an effective performance management system that facilitates effective and efficient delivery of planned services. Risk management and internal control are important and integral parts of a performance management system and crucial to the achievement of outcomes. Risk should be considered and addressed as part of all decision making activities. A strong system of financial management is essential for the implementation of policies and the achievement of intended outcomes, as it will enforce financial discipline, strategic allocation of resources, efficient service delivery, and accountability. It is also essential that a culture and structure for scrutiny is in place as a key part of accountable decision making, policy making and review. A positive working culture that accepts, promotes and encourages constructive challenge is critical to successful scrutiny and successful delivery. Importantly, this culture does not happen automatically, it requires repeated public commitment from those in authority.	Managing risk ■ Recognising that risk management is an integral part of all activities and must be considered in all aspects of decision making ■ Implementing robust and integrated risk management arrangements and ensuring that they are working effectively ■ Ensuring that responsibilities for managing individual risks are clearly allocated Managing performance ■ Monitoring service delivery effectively including planning, specification, execution and independent post implementation review ■ Making decisions based on relevant, clear objective analysis and advice pointing out the implications and risks inherent in the organisation's financial, social and environmental position and outlook	■ Risk management protocol ■ Risk management strategy/ policy formally approved and adopted and reviewed and updated on a regular basis ■ Risk management protocol ■ Performance map showing all key activities have performance measures ■ Benchmarking information ■ Cost performance (using inputs and outputs) ■ Calendar of dates for submitting, publishing and distributing timely reports that are adhered to ■ Discussion between members and officers on the information needs of members to support decision making ■ Publication of agendas and minutes of meetings ■ Agreement on the information that will be needed and timescales

1. Principles of good governance (in bold)	2. Sub-principles (in bold) and behaviours and actions that demonstrate good governance in practice	3. Examples of systems, processes, documentation and other evidence demonstrating compliance (also includes self-assessment tools and sources of further guidance)
	■ Ensuring an effective scrutiny or oversight function is in place which encourages constructive challenge and debate on policies and objectives before, during and after decisions are made thereby enhancing the organisation's performance and that of any organisation for which it is responsible (OR, for a committee system) Encouraging effective and constructive challenge and debate on policies and objectives to support balanced and effective decision making	■ The role and responsibility for scrutiny has been established and is clear ■ Agenda and minutes of scrutiny meetings ■ Evidence of improvements as a result of scrutiny ■ Terms of reference ■ Training for members ■ Membership
	■ Providing members and senior management with regular reports on service delivery plans and on progress towards outcome achievement	■ Calendar of dates for submitting, publishing and distributing timely reports that are adhered to
	■ Ensuring there is consistency between specification stages (such as budgets) and post implementation reporting (eg financial statements)	■ Financial standards, guidance ■ Financial regulations and standing orders
Robust internal control		
	■ Aligning the risk management strategy and policies on internal control with achieving the objectives	■ Risk management strategy ■ Audit plan ■ Audit reports
	■ Evaluating and monitoring the authority's risk management and internal control on a regular basis	■ Risk management strategy/ policy has been formally approved and adopted and is reviewed and updated on a regular basis
	■ Ensuring effective counter fraud and anti-corruption arrangements are in place	■ Compliance with the Code of Practice on Managing the Risk of Fraud and Corruption (CIPFA, 2014)

1. Principles of good governance (in bold)	2. Sub-principles (in bold) and behaviours and actions that demonstrate good governance in practice	3. Examples of systems, processes, documentation and other evidence demonstrating compliance (also includes self-assessment tools and sources of further guidance)
	■ Ensuring additional assurance on the overall adequacy and effectiveness of the framework of governance, risk management and control is provided by the internal auditor	■ Annual governance statement ■ Effective internal audit service is resourced and maintained
	■ Ensuring an audit committee or equivalent group or function which is independent of the executive and accountable to the governing body: – provides a further source of effective assurance regarding arrangements for managing risk and maintaining an effective control environment – that its recommendations are listened to and acted upon	■ Audit committee complies with best practice. See Audit Committees: Practical Guidance for Local Authorities and Police (CIPFA, 2013) ■ Terms of reference ■ Membership ■ Training
	Managing data ■ Ensuring effective arrangements are in place for the safe collection, storage, use and sharing of data, including processes to safeguard personal data	■ Data management framework and procedures ■ Designated data protection officer ■ Data protection policies and procedures
	■ Ensuring effective arrangements are in place and operating effectively when sharing data with other bodies	■ Data sharing agreement ■ Data sharing register ■ Data processing agreements
	■ Reviewing and auditing regularly the quality and accuracy of data used in decision making and performance monitoring	■ Data quality procedures and reports ■ Data validation procedures

1. Principles of good governance (in bold)	2. Sub-principles (in bold) and behaviours and actions that demonstrate good governance in practice	3. Examples of systems, processes, documentation and other evidence demonstrating compliance (also includes self-assessment tools and sources of further guidance)
	Strong public financial management ■ Ensuring financial management supports both long term achievement of outcomes and short-term financial and operational performance ■ Ensuring well-developed financial management is integrated at all levels of planning and control, including management of financial risks and controls	■ Financial management supports the delivery of services and transformational change as well as securing good stewardship ■ Budget monitoring reports
		Further guidance ■ From Bolt-on to Built-in: Managing Risk as an Integral Part of Managing an Organization (IFAC, 2015) ■ Code of Practice on Managing the Risk of Fraud and Corruption (CIPFA, 2014) ■ Code of Practice on Managing the Risk of Fraud and Corruption: Guidance Notes (CIPFA, 2015) ■ Whole System Approach to Public Financial Management (CIPFA, 2012) ■ Audit Committees: Practical Guidance for Local Authorities and Police (CIPFA, 2013)

1. Principles of good governance (in bold)	2. Sub-principles (in bold) and behaviours and actions that demonstrate good governance in practice	3. Examples of systems, processes, documentation and other evidence demonstrating compliance (also includes self-assessment tools and sources of further guidance)
G. Implementing good practices in transparency, reporting, and audit to deliver effective accountability Accountability is about ensuring that those making decisions and delivering services are answerable for them. Effective accountability is concerned not only with reporting on actions completed, but also ensuring that stakeholders are able to understand and respond as the organisation plans and carries out its activities in a transparent manner. Both external and internal audit contribute to effective accountability.	Implementing good practice in transparency ■ Writing and communicating reports for the public and other stakeholders in an understandable style appropriate to the intended audience and ensuring that they are easy to access and interrogate ■ Striking a balance between providing the right amount of information to satisfy transparency demands and enhance public scrutiny while not being too onerous to provide and for users to understand	■ Website ■ Annual report
	Implementing good practices in reporting ■ Reporting at least annually on performance, value for money and the stewardship of its resources	■ Formal annual report which includes key points raised by external scrutineers and service users' feedback on service delivery ■ Annual financial statements
	■ Ensuring members and senior management own the results	■ Appropriate approvals
	■ Ensuring robust arrangements for assessing the extent to which the principles contained in the Framework have been applied and publishing the results on this assessment including an action plan for improvement and evidence to demonstrate good governance (annual governance statement)	■ Annual governance statement
	■ Ensuring that the Framework is applied to jointly managed or shared service organisations as appropriate	■ Annual governance statement

1. Principles of good governance (in bold)	2. Sub-principles (in bold) and behaviours and actions that demonstrate good governance in practice	3. Examples of systems, processes, documentation and other evidence demonstrating compliance (also includes self-assessment tools and sources of further guidance)
	■ Ensuring the performance information that accompanies the financial statements is prepared on a consistent and timely basis and the statements allow for comparison with other similar organisations	■ Format follows best practice
	Assurance and effective accountability ■ Ensuring that recommendations for corrective action made by external audit are acted upon ■ Ensuring an effective internal audit service with direct access to members is in place which provides assurance with regard to governance arrangements and recommendations are acted upon	■ Recommendations have informed positive improvement ■ Compliance with CIPFA's Statement on the Role of the Head of Internal Audit (2010) ■ Compliance with Public Sector Internal Audit Standards
	■ Welcoming peer challenge, reviews and inspections from regulatory bodies and implementing recommendations	■ Recommendations have informed positive improvement
	■ Gaining assurance on risks associated with delivering services through third parties and that this is evidenced in the annual governance statement	■ Annual governance statement
	■ Ensuring that when working in partnership, arrangements for accountability are clear and that the need for wider public accountability has been recognised and met	■ Community strategy

1. Principles of good governance (in bold)	2. Sub-principles (in bold) and behaviours and actions that demonstrate good governance in practice	3. Examples of systems, processes, documentation and other evidence demonstrating compliance (also includes self-assessment tools and sources of further guidance)
		Further guidance ■ Audit Committees: Practical Guidance for Local Authorities and Police (CIPFA, 2013) ■ Get in on the Act: The Local Audit and Accountability Act 2014 (LGA, 2014) ■ Governance Mark of Excellence (CIPFA)

CHAPTER SIX

Other governance issues

SCRUTINY

Introduction

- 6.1** The [Local Government Act 2000](#) brought in arrangements that defined a scrutiny role for elected members. By sitting on the overview and scrutiny committees they hold the politicians who form the executive or cabinet to account, and scrutinise the work of other agencies providing local services. The Act introduced a clear distinction between the executive's role in proposing and implementing policies, and the role of non-executive members in reviewing policy and scrutinising executive decisions.
- 6.2** The overview and scrutiny committees were given powers to study decisions and policies of bodies other than councils operating in their areas and to require council officials and cabinet members to attend and answer questions. They are able to make recommendations and propose changes to be considered by the executive. Challenge and scrutiny contribute to good governance by being a key part of transparent and accountable decision making, policy making and review.
- 6.3** Through the scrutiny process, councillors have been given significant power to hold their partners to account. The [Health and Social Care Act 2001](#) gave councils responsibility for scrutinising local NHS trusts, including primary care trusts. Powers were further expanded by the [Police and Justice Act 2006](#), which provided powers to scrutinise the work of crime and disorder reduction partnerships. The [Local Government and Public Involvement in Health Act 2007](#) gave powers to local government to scrutinise other partner organisations, including bodies such as the Environment Agency. It also brought in other provisions that affect how scrutiny committees work, including powers over the creation of joint committees and powers to resolve local problems through the 'councillor call for action'.
- 6.4** The [Localism Act 2011](#) consolidated the content of the 2000, 2001, 2007 and 2009 Acts. It involved some minor amendments, particularly in the powers of district councils and the role of scrutiny in relation to local partners.
- 6.5** Through the 2011 Act, the government has encouraged greater use of the directly elected mayor model of governance; a role focusing on long-term strategic decisions bringing together different agencies to facilitate improved public services. A partnership focused mayoral model needs to be accompanied by strong overview and scrutiny of partnerships. At the same time, the 2011 Act permits local authorities to choose to introduce a committee system for decision-making purposes which may (although this is not a requirement) operate a system for scrutiny and review.

The importance of effective scrutiny

- 6.6** It is essential that local authorities, whatever form of governance structure they choose, should benefit from a culture of (and structure for) scrutiny which is effective at challenging the way an authority operates. The increase in the use of alternative delivery models and vehicles, including outsourcing and complex joint arrangements for service provision, means that scrutiny committees are a crucial mechanism for ensuring oversight.
- 6.7** Authorities electing to adopt a committee system need to ensure that they are able to exercise effectively their scrutiny powers around healthcare, social care and health improvement, crime and disorder and external partners, as well as independent challenge to decisions made by their committees. Authorities need to think through how a system of checks and balances will exist in order to ensure their committees drive forward improvements while mitigating risks.
- 6.8** Overview and scrutiny structures should play an important role in facilitating accountability in devolved regions and in relation to elected mayors.

Principles of good scrutiny

- 6.9** The Centre for Public Scrutiny has established four core principles of good scrutiny:
- Provides critical friend challenge to executive policy makers and decision takers.
 - Enables the voice and concerns of the public.
 - Is carried out by independent-minded councillors who lead and own the process.
 - Drives improvement in public services.
- 6.10** Local authority overview and scrutiny committees have the power to summon members of the executive and officers of the authority before it to answer questions, and are able to invite other persons to attend meetings to give their views or submit evidence.

The role of scrutiny

- 6.11** The role of scrutiny is to review policy and to challenge whether the executive has made the right decisions to deliver policy goals. The scrutiny committee is able to provide a long-term view of strategic issues and also to look in detail at key aspects of the authority's operations. This is different from the role of the audit committee, which exists to provide independent assurance that there are adequate controls in place to mitigate key risks and to provide assurance that the authority, including the scrutiny function, is operating effectively. That said, an audit committee's judgements may well be informed by the results of scrutiny within the authority.
- 6.12** The scrutiny function has the following legislative roles:
- Holding the executive to account.
 - Policy development and review.
 - External scrutiny – scrutiny committees have the power to consider matters that are not the responsibility of the local authority, but which affect the authority's area or its inhabitants.

6.13 Scrutiny and overview committees have other key roles, which include:

- providing satisfying and meaningful roles for non-executive members
- considering budget proposals
- considering general performance, management and review
- ensuring corporate priorities are met
- monitoring and revising the constitution
- engaging partner organisations, the public and the press
- holding partnerships to account.

Making scrutiny effective

6.14 An effective scrutiny function is characterised by the following:

- It has a clearly defined role within the authority's governance structure.
- It has clear terms of reference that set out its role in respect of independent scrutiny of decisions and performance.
- It is adequately resourced and appropriately structured with access to independent advice.
- Meetings are held on a timely basis.
- The authority's leadership is willing to be challenged and regards robust (and resourced) challenge as a necessary part of good governance.
- It is led and owned by members who are committed to improving their own performance and skills.
- It is understood and valued throughout the authority and public awareness is high. It is clear that it is not a substitute for an audit committee.
- There is a willingness to look beyond the boundaries of the authority to all agencies that affect the locality.
- The chair and members are willing to challenge the executive through questioning on topics of local relevance where there is a realistic prospect of influencing change.
- The chair and vice-chair work with the scrutiny officer in deciding how to structure meetings, who to invite and how an investigation should be conducted.
- The chair and members have the necessary skills, training and confidence to allow them to scrutinise and challenge effectively.
- The chair is:
 - not a member of the political administration
 - appropriately knowledgeable and skilled to be able to manage the meeting
 - firm and tactful with those answering questions
 - able to understand technical issues quickly
 - able to lead, inspire and motivate the team
 - a visible champion for scrutiny, raising its profile internally and externally
 - proactive.

- It is not, or seen to be, controlled by the executive.
- The executive receives reports from the committee sympathetically and acts upon them as appropriate in order to effect improved outcomes in service delivery.
- The committee presents reports with sound recommendations based on the best evidence available and with all-party support wherever possible.
- Scrutiny has effective support from capable officers. Their duties are likely to include:
 - working with the committee chair and vice-chair
 - planning research
 - preparing background reports
 - inviting and briefing witnesses
 - writing draft reports.
- Scrutiny officers have:
 - excellent research skills
 - knowledge of the local area
 - an interest in local and general affairs
 - a diplomatic approach.
- Participants are willing to share and expect something constructive from the process.
- Concerns are taken seriously and where relevant incorporated into appropriate recommendations.

Further guidance

- [Building Partnerships: Insights from the Devolution Summit](#) (CIPFA/Grant Thornton, 2015)
- Coulson A and Whiteman P (2012) Holding Politicians to Account? Overview and Scrutiny in English Local Government, *Public Money and Management*, 32, 185–192
- [Devo Why? Devo How? Questions \(and Some Answers\) About Governance Under English Devolution](#) (Centre for Public Scrutiny, 2015)
- [The Good Scrutiny Guide](#) (Centre for Public Scrutiny, 2nd Edition)
- [Leadership of Place: The Role of Overview and Scrutiny](#) (Leadership Centre for Local Government)
- [Musical Chairs: Practical Issues for Local Authorities in Moving to a Committee System](#) (Centre for Public Scrutiny, 2012)
- [Raising the Stakes: Financial Scrutiny in Challenging Times: A Guide for Welsh Local Authorities](#) (Centre for Public Scrutiny/Grant Thornton, 2014)

FRAUD

Introduction

- 6.15** Fraud costs the public sector around £21bn annually and of this total, approximately £2bn is specifically in local government. Fraud can be a major risk to councils both financially and reputationally and needs to be considered as part of formal risk management processes.
- 6.16** Local authorities are urged to make use of the guidance, toolkits and websites available to them in developing robust processes for countering fraud.

CIPFA Code of Practice on Managing the Risk of Fraud and Corruption

- 6.17** In October 2014, CIPFA published its [Code of Practice on Managing the Risk of Fraud and Corruption](#). The Code sets out five key principles that define the governance and operational arrangements necessary for an effective counter fraud response. These are as follows:

■ **Acknowledge the responsibility of the governing body for countering fraud and corruption**

The governing body should acknowledge its responsibility for ensuring that the risks associated with fraud and corruption are managed effectively across all parts of the organisation.

■ **Identify the fraud and corruption risks**

Fraud risk identification is essential to understand specific exposures to risk, changing patterns in fraud and corruption threats and the potential consequences to the organisation and its service users.

■ **Develop an appropriate counter fraud and corruption strategy**

An organisation needs a counter fraud strategy setting out its approach to managing its risks and defining responsibilities for action.

■ **Provide resources to implement the strategy**

The organisation should make arrangements for appropriate resources to support the counter fraud strategy.

■ **Take action in response to fraud and corruption**

The organisation should put in place the policies and procedures to support the counter fraud and corruption strategy and take action to prevent, detect and investigate fraud. There should be a report to the governing body at least annually on performance against the counter fraud strategy and the effectiveness of the strategy from the lead person(s) designated in the strategy. Conclusions should be featured in the annual governance statement.

- 6.18** The Code sets out the steps each authority should take in order to embed effective standards for countering fraud and corruption in their organisation. The Code is underpinned by a set of guidance notes that explain the importance of the principles and help organisations to apply them in practice. An assessment tool is also available to help organisations assess the strength of their arrangements against the Code.

- 6.19** The Code can be used to present to audit committees as a measure of what actions need to be taken to improve counter fraud arrangements, building counter fraud work into good governance for organisations.

Local government counter fraud and corruption strategy

- 6.20** Fighting Fraud and Corruption Locally 2016 (FFCL) is the local government counter fraud and corruption strategy. It is endorsed by central government, the Local Government Association and Solace. It was researched by the CIPFA Counter Fraud Centre (CCFC) and written by local authorities for local authorities. The CCFC hosts the day to day operations of FFCL for its independent board and it has a dedicated [website](#) with a good practice bank.
- 6.21** The FFCL Strategy 2016–2018 has two parts:
- The Strategy, which contains top level messages, is aimed at chief executives, finance directors and those charged with governance.
 - The Companion, which is aimed at those involved in the day to day operations in counter fraud in local authorities.
- 6.22** The Strategy contains recommendations for chief executives to ensure their authority addresses the areas raised in the Strategy in order to create a robust response to tackling fraud and corruption. The Companion document contains good practice as well as a checklist which local authorities should follow and use as self-assessment. The outcome of this assessment should be produced for leadership teams and/or audit committees.
- 6.23** The CCFC also conducts the [CIPFA Fraud and Corruption Tracker](#) (CFaCT), an annual survey of local authorities asking questions devised by the FFCL Board to assess adherence and response to the strategy. The survey is endorsed and supported by the Local Government Association (LGA), the National Audit Office (NAO) and the National Crime Agency (NCA), and it feeds back into the national response for the UK. Those charged with governance should ensure completion of this survey.

Further guidance

- [CIPFA Better Governance Forum](#)
- [CIPFA Counter Fraud Centre](#)
- [CIPFA Fraud and Corruption Tracker \(CFaCT\)](#)
- [Code of Practice on Managing the Risk of Fraud and Corruption](#) (CIPFA, 2014)
- [Code of Practice on Managing the Risk of Fraud and Corruption: Guidance Notes](#) (CIPFA, 2014)
- [Counter Fraud Code of Practice Assessment Tool](#)
- [Fighting Fraud and Corruption Locally 2016](#)
- [National Anti-Fraud Network \(NAFN\)](#)

MAINTAINING STANDARDS

Introduction

- 6.24** The [Localism Act 2011](#) repealed most of the standards provisions in the [Local Government Act 2000](#), including the statutory code of conduct, the Standards Board and the legal requirement to have a standards committee. The 2011 Act instead imposes a duty on local authorities to promote and maintain high standards of conduct by members and co-opted members and an obligation to adopt a code of conduct consistent with the Nolan Principles. The 2011 Act otherwise provides wider flexibility, reflecting localism principles, for authorities to meet the duty structurally, and through arrangements for investigating complaints. Criminal offences were also created dealing with the non-notification and non-disclosure of ‘disclosable pecuniary interests’, improper participation in authority business and the provision of false and misleading information.
- 6.25** It is essential that despite financial constraints authorities continue to prioritise and monitor ethical standards.

Duty to promote and maintain high standards of conduct

- 6.26** This duty included in the 2011 Act links with the first principle of the CIPFA/Solace Framework: *Behaving with integrity, demonstrating strong commitment to ethical values, and respecting the rule of law* and its supporting principles. Shared values that become integrated into the culture of an organisation and are reflected in behaviour and policy are hallmarks of good governance.

Code of conduct

- 6.27** CIPFA believes that codes of conduct are an essential component of good corporate governance for all public service bodies, as they define the values and standards of behaviour expected of individuals. In our view nationally set codes of conduct can be used to promote consistent standards of conduct and probity, and to provide assurance for community stakeholders. Their existence helps minimise lapses and provides a framework for personal accountability. Basic standards and practices should be consistent across the sector.

Members

- 6.28** The Department for Communities and Local Government (DCLG) has published an [Illustrative Text for Local Code of Conduct \(2012\)](#) setting out what a council’s code of conduct might look like under the 2011 Act.
- 6.29** The Local Government Association (LGA), with support from Solace and the Association of Council Secretaries and Solicitors (ACSeS), has published a [Template Code of Conduct](#) based on the seven principles of public life.

Officers and staff

- 6.30** Local authorities are free to decide to institute a code of conduct for their own staff. CIPFA is working with Solace and a range of professional bodies to develop a new code of ethics for professional leaders in local public services. The code of ethics will outline the principles

of behaviour that promote and reinforce the highest standards from everyone in senior professional leadership roles across the local public services.

- 6.31** The code is an overarching statement of ethics, based upon behaviours and therefore focuses on the individual, as opposed to groups or organisational culture. It is intended to be applicable to all those who hold senior management roles in local public services led by locally elected politicians. The new code will be published in 2016.
- 6.32** A number of senior professionals within local public services are already subject to specific professional codes of ethics and behaviour, and the new code does not replace these professional codes which are likely to be more detailed in nature.

Standards committee

- 6.33** Local authorities are required by the [Localism Act 2011](#) to have in place a mechanism to investigate alleged breaches of the members' code of conduct. At least one 'independent' person must be appointed to advise an authority before a decision regarding the allegation can be made. Although no longer a legal requirement, a standards committee at a local level can provide an effective mechanism for complaints to be investigated. It should act as a disincentive to misconduct through objective overview and complaints handling. Local standards committees, among other things, should help promote confidence in local democracy. To be effective they must be chaired by an independent person, appointed through open competition, who is able to command the trust of all political parties and of the public.

Duty to promote and maintain standards

- 6.34** As well as ensuring compliance with the provisions of the 2011 Act, authorities should consider how they will fulfill the duty to promote and maintain standards. The following actions will help support the achievement of this duty:
- Embedding high ethical standards in the culture of the authority.
 - Reinforcing high standards through positive leadership.
 - Ensuring ethical awareness is addressed as part of the induction and training programme for all members/co-opted members and providing regular updates.
 - Providing guidance to members on the application of codes of conduct and other aspects of the authority's ethical framework when participating in partnership bodies or other representative roles.
 - Ensuring that there are systems and appropriate sanctions in place to deal robustly with instances of bullying and harassment which make clear to whom and how both members and staff may complain.
 - Ensuring that an effective whistleblowing policy is in place.
 - Specifying ethical requirements in contracts with suppliers responsible for delivering public services.
 - Undertaking periodic surveys of members and key officers who interact with members to obtain their views on the application of ethical values in practice and to identify any concerns or learning points.

- Providing a system to record gifts and hospitality and to advise on acceptable limits. The register should be subject to regular review and public reporting.
- Ensuring that an effective system for declaring and registering interests is in place.
- Ensuring effective scrutiny of standards through mechanisms such as peer review.
- Ensuring that financial constraints do not reduce management support for the promotion of high ethical standards.
- Ensuring that the annual governance statement provides clear accountability for fulfilling the duty.
- Properly and effectively applying arrangements for investigating and deciding on allegations of breach of code made against members.

Further guidance

- [Ethics in Practice: Promoting Ethical Standards in Public Life](#) (Committee on Standards in Public Life, 2014)
- [Ethical Standards for Providers of Public Services: Guidance](#) (Committee on Standards in Public Life, 2014)
- [Standards Matter: A Review of Best Practice in Promoting Good Behaviour in Public Life](#) (Committee on Standards in Public Life, 2013)

LOCAL AUDIT AND AUDIT COMMITTEES

The Local audit and Accountability Act 2014

- 6.35** The [Local Audit and Accountability Act 2014](#) requires that local authorities must appoint their own auditors from 2018 when their existing audit contracts expire. This means that:
- local authorities will need to appoint an auditor by 31 December preceding the financial year for which the accounts are to be audited
 - the length of the audit contract should be no longer than five years
 - the same auditor may be reappointed at the end of the five year period
 - the authority must publish its choice of auditor
 - the decision to appoint the auditor must be made by the full council
 - authorities may choose to let audit contracts jointly with other authorities
 - the authority must publish an annual governance statement alongside the accounts and a narrative commenting on the authority's economy, efficiency and effectiveness
 - authorities are required to appoint an 'independent auditor panel'.

Auditor responsibilities

- 6.36** The National Audit Office (NAO) has set out the [responsibilities of local auditors](#). In relation to financial statements, auditors are required to provide an opinion on whether the audited body's financial statements:

- give a true and fair view of the financial position of the audited body and its expenditure and income for the period in question
- have been prepared properly in accordance with the relevant accounting and reporting framework as set out in legislation, applicable accounting standards or other direction.

6.37 Auditors also have a responsibility to satisfy themselves that the audited body has put in place proper arrangements to secure economy, efficiency and effectiveness in its use of resources.

6.38 In relation to the annual governance statement, auditors must:

- review whether it has been presented in accordance with requirements
- report if it does not meet these requirements or if it is misleading or inconsistent with other information of which the auditor is aware.

6.39 In doing so, auditors must bear in mind the knowledge they have acquired through auditing the annual accounts and reviewing the authority's arrangements for securing value for money.

The independent auditor panel

6.40 The new arrangements include the ability of authorities to appoint their own local public auditors on the advice of an auditor panel and this may be done either individually or jointly with one or more other authorities.

6.41 The function of the independent auditor panel is to ensure that when an authority appoints its own auditor the independence of the external auditor is maintained. The panel is therefore responsible for advising the authority on its relationship with its external auditor. The panel is required to:

- publish its advice on the authority's choice of auditor
- advise the authority in the event of the auditor resigning or being removed
- advise the authority on whether or not to draw up a policy regarding the provision of non-audit services (such as consultancy) by the external auditor.

6.42 In addition, the authority must notify the panel if a public interest report is produced by the auditor.

6.43 The independent auditor panel must have at least three members. A majority must be independent members, one of which must be the panel chair. 'Independence' is further defined in the [Local Audit \(Auditor Panel Independence\) Regulations 2014](#), summarised as follows:

The main areas through which independence may be impaired are where the panel member has:

- previous experience within the last five years as a member or officer with the authority or another, connected authority or an officer or employee of a connected entity
- a relationship (familial or friendship) with a member or officer of the authority or a connected authority or with an officer or employee of a connected entity
- a contractual (commercial) relationship with the authority – either as an individual or via a body in which the panel member has a ‘beneficial interest’
- a possible conflict of interest through being a prospective or current auditor of the authority or, within the previous five years, is or has been:
 - an employee of such a person
 - partner in a firm or
 - director of a body corporate that is a prospective or current auditor of the authority at the given time.

6.44 Authorities are permitted to share an auditor panel and are also able to designate an existing committee, such as the audit committee or standards committee as an auditor panel. However, if such a committee is designated as the auditor panel it must satisfy the regulations and provisions for auditor panels such as the requirements concerning independence. Therefore, if the auditor panel function is performed by an existing committee or sub-committee of the authority, the committee must ensure that its auditor panel duties are discharged separately.

6.45 Authorities will need to consider carefully the advantages and disadvantages of the options available to them in setting up an independent auditor panel. Where an independent auditor panel is established and an audit committee already exists, the authority or authorities will need to look at the areas where the functions of an independent auditor panel and audit committee will overlap and how they will be managed.

Some issues to consider

- How will the new auditor panel fit within the overall governance structure of the authority, and with the audit committee in particular?
- How will the independence of the auditor panel be assured? Should independence be wider than that specified in the regulations? For example, should it also prevent a recently retired auditor from an audit firm being a member?
- What will be an effective composition for the panel?
- What are the skills and experience that the auditor panel will require?
- How will training and induction for the new members be provided?
- How will the auditor contract be monitored?
- If the external auditor is asked to carry out additional non-audit work, how will the authority ensure that the nature of the work does not impair the independence of the external auditor?
- Where an authority contracts out its internal audit service, there is potential for conflicts of interest if the same firm was responsible for providing both internal and external audit

services which would need to be carefully managed. It is worth noting that the national audit agencies will not appoint as an external auditor a firm currently undertaking internal audit work at a council.

- Potential for conflicts of interest should be carefully considered in respect of partnership arrangements. For example, where the external auditor was also the internal auditor of a partner organisation or a key provider of consultancy services at a partner organisation.

6.46 A comprehensive [Guide to Auditor Panels](#) (2015) has been published by CIPFA/DCLG setting out:

- the options available to local authorities in England for establishing an auditor panel
- what form such a panel can take
- the operation and functions of the panel
- the main task of the panel.

Introduction to audit committees

6.47 Audit committees are a key component of an authority's governance framework. Their purpose is to provide to those charged with governance independent assurance on the adequacy of the risk management framework, the internal control environment and the integrity of the financial reporting and annual governance processes. By overseeing internal and external audit it makes an important contribution to ensuring that effective assurance arrangements are in place.

6.48 Audit committees in local authorities satisfy the wider requirements for sound financial management. In England, according to the Accounts and Audit (England) Regulations 2011, local authorities are responsible "for ensuring that the financial management of the body is adequate and effective and that the body has a sound system of internal control which facilitates the effective exercise of that body's functions and which includes arrangements for the management of risk". Section 151 of the [Local Government Act 1972](#) requires every local authority to "make arrangements for the proper administration of its financial affairs".

6.49 The [Cities and Local Government Devolution Act 2016](#) requires combined authorities to have an audit committee. Careful thought will be required regarding how they will fit with existing structures.

Functions of the audit committee

6.50 [Audit Committees: Practical Guidance for Local Authorities and Police](#) (CIPFA, 2013) sets out in detail the core functions of an audit committee. Key points are summarised below.

- Overseeing the authority's local code of governance and annual governance statement:
 - reviewing the local code of governance and any changes to the arrangements in the year
 - reviewing the annual governance statement and considering whether it:
 - properly reflects the authority's risk environment together with actions required
 - demonstrates how governance supports the achievements of the authority's objectives.

- Overseeing and promoting the effective use of the authority's internal audit function.
- Considering the effectiveness of risk management arrangements and the control environment, including partnerships with other organisations.
- Monitoring arrangements for ensuring value for money and for managing exposure to the risk of fraud and corruption.
- Considering reports and recommendations from external audit and inspection agencies and their implications for governance, risk management and control.
- Ensuring that there are effective relationships between external audit, internal audit, inspection agencies and other relevant bodies.
- Reviewing the financial statements, external auditor's opinion and reports to members, and monitoring management action in response to the issues raised by external audit.

The audit committee and the auditor panel

6.51 The auditor panel and the authority's audit committee will need to have a close working relationship in respect of some of the panel's duties. The main areas where their respective duties may overlap are outlined below:

- Monitoring quality and effectiveness of external audit provision.

The work undertaken by the audit committee should feed into the panel's contract monitoring.

- Selection and rotation of the auditor.

The audit committee should be able to express an opinion.

- Non-audit work carried out by external audit.

The audit committee has a role reviewing the authority's policy on non-audit work carried out by external audit whereas the auditor panel has to advise the authority on the contents of any non-audit work policy and whether the authority should adopt such a policy.

6.52 Further information on this issue is covered in [Guide to Auditor Panels](#) (CIPFA/DCLG, 2015).

Characteristics of a good audit committee

6.53 CIPFA's guide notes that the characteristics of a good audit committee include the following:

- A membership that is balanced, objective, independent of mind, knowledgeable and properly trained to fulfil their role. The political balance of a formal committee of an authority will reflect the political balance of the council. However, it is important to achieve the right mix of apolitical expertise.
- A membership that is supportive of good governance principles and their practical application towards the achievement of organisational objectives.
- A strong, independently minded chair who displays a depth of knowledge, skills and interest. There are many personal qualities needed to be an effective chair, but key to these are promoting apolitical open discussion, managing meetings to cover all business and encouraging a candid approach from all participants. An interest in and knowledge of financial and risk management, audit, accounting concepts and standards and the

regulatory regime are also essential. A specialism in one of these areas would be an advantage.

- Unbiased attitudes – treating auditors, the executive and management fairly.
- The ability to challenge the executive and senior managers when required.

Benefits of an audit committee

6.54 An effective audit committee can:

- promote the principles of good governance and their application to decision making
- help to ensure an authority achieves value for money
- give additional assurance through a process of independent and objective review
- help achieve the authority's objectives by assisting in improving the adequacy and effectiveness of risk assessment, risk management and internal control
- reinforce the objectivity, importance and independence of internal and external audit and therefore the effectiveness of the audit function
- raise awareness of the need for sound control and the implementation of recommendations by internal and external audit
- assist the authority in implementing the values of ethical governance including effective arrangements for countering risks of fraud and corruption
- ensure effective arrangements exist for enabling a whistleblower to report irregularities
- promote measures to improve transparency and accountability and for effective public reporting to the authority's stakeholders and local community.

Further guidance

- [Audit Committees: Practical Guidance for Local Authorities and Police](#) (CIPFA, 2013)
- [Better Governance Forum – Audit Committee briefings](#)
- [Guide to Auditor Panels](#) (CIPFA/DCLG, 2015)
- [Local Government Governance Review 2015: All Aboard?](#) (Grant Thornton, 2015)

Comparison with Framework published in 2007

The following table compares the principles from the Framework (2007) with those included in the revised Framework (2016).

Principles from 2016	Principles from 2007
A. Behaving with integrity, demonstrating strong commitment to ethical values, and respecting the rule of law ■ Behaving with integrity ■ Demonstrating strong commitment to ethical values ■ Respecting the rule of law	Promoting values for the authority and demonstrating the values of good governance through upholding high standards of conduct and behaviour ■ Ensuring authority members and officers exercise leadership by behaving in ways that exemplify high standards of conduct and effective governance ■ Ensuring that organisational values are put in place and are effective
B. Ensuring openness and comprehensive stakeholder engagement ■ Openness ■ Engaging comprehensively with institutional stakeholders ■ Engaging with individual citizens and service users effectively	Engaging with local people and other stakeholders to ensure robust public accountability ■ Exercising leadership through a robust scrutiny function which effectively engages local people and all local institutional stakeholders, including partnerships, and develops constructive accountability relationships ■ Taking an active and planned approach to dialogue with and accountability to the public to ensure effective and appropriate service delivery whether directly by the authority, in partnership, or by commissioning ■ Making the best use of human resources by taking on active and planned approach to meet responsibility to staff

In addition to the overarching requirements for acting in the public interest in principles A and B (2016 Framework), achieving good governance in the public sector also requires effective arrangements for the following:

C. Defining outcomes in terms of sustainable economic, social, and environmental benefits

- Defining outcomes
- Sustainable economic, social and environmental benefits

Focusing on the purpose of the authority and on outcomes for the community and creating and implementing a vision for the local area

- Exercising strategic leadership by developing and clearly communicating the authority's purpose and vision and its intended outcomes for citizens and service users
- Ensuring that users receive a high quality of service whether directly, or in partnership or by commissioning
- Ensuring that the authority makes best use of resources and that tax payers and service users receive excellent value for money

D. Determining the interventions necessary to optimise the achievement of the intended outcomes

- Determining interventions
 - Planning interventions
 - Optimising achievement of intended outcomes
-

E. Developing the entity's capacity, including the capability of its leadership and the individuals within it

- Developing the entity's capacity
- Developing the capability of the entity's leadership and other individuals

Developing the capacity and capability of members and officers to be effective

- Making sure that members and officers have the skills, knowledge, experience and resources they need to perform well in their roles
- Developing the capability of people with governance responsibilities and evaluating their performance, as individuals and as a group
- Encouraging new talent for membership of the authority so that best use can be made of individuals skills and resources in balancing continuity and renewal

Members and officers working together to achieve a common purpose with clearly defined functions and roles

- Ensuring effective leadership throughout the authority and being clear about executive and non-executive functions and of the roles and responsibilities of the scrutiny function
 - Ensuring that a constructive working relationship exists between authority members and officers and that the responsibilities of authority members and officers are carried out to a high standard
 - Ensuring relationships between the authority and the public are clear so that each knows what to expect of the other
-

F. Managing risks and performance through robust internal control and strong public financial management

- Managing risk
- Managing performance
- Robust internal control
- Managing data
- Strong public financial management

Taking informed decisions which are subject to effective scrutiny and managing risk

- Being rigorous and transparent about how decisions are taken and listening and acting on the outcome of constructive scrutiny
 - Having good-quality information, advice and support to ensure that services are delivered effectively and are what the community wants/needs
 - Ensuring that an effective risk management system is in place
 - Using their legal powers to the full benefit of the citizens and communities in their area
-

G. Implementing good practices in transparency, reporting, and audit to deliver effective accountability

- Implementing good practice in transparency
 - Implementing good practices in reporting
 - Assurance and effective accountability
-

Principles of good governance (summary)

This Appendix summarises key reports that have influenced the development of good governance in local government.

THE CADBURY REPORT (1992)

The Report of the Committee on the Financial Aspects of Corporate Governance (the Cadbury Report) identified three fundamental principles of corporate governance as follows:

- **Openness**

An open approach is required to ensure all interested parties are confident in the organisation itself. Being open in the disclosure of information leads to effective and timely action and lends itself to necessary scrutiny.

- **Integrity**

This is described as both straightforward dealing and completeness. It should be reflected in the honesty of an organisation's annual report and its portrayal of a balanced view. The integrity of reports depends on the integrity of those who prepare and present them which, in turn, is a reflection of the professional standards within the organisation.

- **Accountability**

This is the process whereby individuals are responsible for their actions. It is achieved by all parties having a clear understanding of those responsibilities, and having clearly defined roles through a robust structure.

The Cadbury Report defined these three principles in the context of the private sector, and, more specifically, of public companies, but they are as relevant to public service bodies as they are to private sector entities.

REPORTS FROM THE COMMITTEE ON STANDARDS IN PUBLIC LIFE (1995 – PRESENT)

Aspects of corporate governance in the public services are addressed by the [Committee on Standards in Public Life](#), which was established in 1994 to examine concerns about standards of conduct by holders of public office.

Standards of conduct are regarded as one of the key dimensions of good governance. The Committee's first report, *Standards in Public Life*, published in May 1995, identified

and defined seven general principles of conduct which should underpin public life, and recommended that all public service bodies draw up codes of conduct incorporating these principles.

6.55 A revised description of the principles of public life is included in the Committee's report [Standards Matter: A Review of Best Practice in Promoting Good Behaviour in Public Life](#) (2013). They are as follows:

■ **Selflessness**

Holders of public office should act solely in terms of the public interest.

■ **Integrity**

Holders of public office must avoid placing themselves under any obligation to people or organisations that might try inappropriately to influence them in their work. They should not act or take decisions in order to gain financial or other material benefits for themselves, their family, or their friends. They must declare and resolve any interests and relationships.

■ **Objectivity**

Holders of public office must act and take decisions impartially, fairly and on merit using the best evidence and without discrimination or bias.

■ **Accountability**

Holders of public office are accountable to the public for their decisions and actions and must submit themselves to the scrutiny necessary to ensure this.

■ **Openness**

Holders of public office should act and take decisions in an open and transparent manner. Information should not be withheld from the public unless there are clear and lawful reasons for doing so.

■ **Honesty**

Holders of public office should be truthful.

■ **Leadership**

Holders of public office should exhibit these principles in their own behaviour. They should actively promote and robustly support the principles and be willing to challenge poor behaviour wherever it occurs.

GOOD GOVERNANCE STANDARD FOR PUBLIC SERVICES (2004)

In 2004, the Independent Commission on Good Governance in Public Services published a set of common principles that it wants all public sector organisations to adopt. The commission, set up by CIPFA in conjunction with the Office for Public Management, says there should be a common governance standard for public services similar to the private sector's [UK Corporate Governance Code](#) (formerly the Combined Code).

The [Good Governance Standard for Public Services](#) (2004) builds on the principles of public life by setting out six core principles that it recommends should underpin the governance arrangements of all public service bodies. These are summarised below:

- A clear definition of the body's purpose and desired outcomes.
- Well-defined functions and responsibilities.
- An appropriate corporate culture.
- Transparent decision-making.
- A strong governance team.
- Real accountability to stakeholders.

INTERNATIONAL FRAMEWORK: GOOD GOVERNANCE IN THE PUBLIC SECTOR (2014)

In July 2014 CIPFA, in association with the International Federation of Accountants (IFAC), published the [International Framework: Good Governance in the Public Sector](#). The international framework supersedes the 2004 CIPFA/OPM *Good Governance Standard for the Public Services*. It places the attainment of sustainable economic, societal and environmental outcomes as a key focus of governance structures and processes and stresses the importance of taking account of the impact of current decisions and actions on future generations.

The core principles and sub-principles from the International Framework have been interpreted for a local government context in [Delivering Good Governance in Local Government: Framework](#) (CIPFA/Solace, 2016).

APPENDIX C

Glossary

Accountability

The obligation of public sector organisations to citizens and other stakeholders to account, and be answerable to, democratically chosen supervisory bodies, for their policies, decisions, and actions, particularly in relation to public finances.

Annual governance statement or report

The mechanism by which an organisation publicly reports on its governance arrangements each year.

Arrangements

Includes political, economic, social, environmental, legal, and administrative structures and processes, and other arrangements.

Assurance

An assurance engagement in which a practitioner expresses a conclusion designed to enhance the degree of confidence of the intended users, other than the responsible party, on the outcome of the evaluation or measurement of a subject matter against criteria. Under the IAASB's [International Framework for Assurance Engagements](#), there are two types of assurance engagements a practitioner is permitted to perform: a reasonable assurance engagement and a limited assurance engagement. For more information, see the IAASB's Glossary of Terms in the 2013 Handbook of International Quality Control, Auditing, Review, Other Assurance, and Related Services Pronouncements.

Audit committee

The governance group independent from the executive charged with providing oversight of the adequacy of the risk management framework, the internal control environment, and integrity of financial reporting.

Benefits

Outcomes that are to the benefit of a public sector organisation's stakeholders that can be of an economic, social, or environmental nature.

Budget documents

Financial expressions of service plans that set the limits of expenditure authorisation for managers.

Capabilities

The professional knowledge, professional skills, and professional values, ethics, and attitudes required to demonstrate competence.

Capacity

The underlying governance and staffing structures of a public sector organisation necessary to remain fit for purpose – being able to deliver the planned services.

Capital(s)/resource(s)

Stocks of value on which all organisations depend for their success as inputs to their business model, and which are increased, decreased, or transformed through the organisation's business activities and outputs. The capitals are categorised in the [International Framework: Good Governance in the Public Sector](#) (CIPFA/IFAC, 2014) as financial, manufactured, intellectual, human, social and relationship, and natural.

Code of Conduct

Principles, values, standards, or rules of behaviour that guide the decisions, procedures and systems of an organisation in a way that contributes to the welfare of its key stakeholders and respects the rights of all constituents affected by its operations.

Commissioning

Depending on the context, either:

- the process of deciding what work or services are needed, whether they should be sought by delegation, the use or setting up of some new body, or by competition, and, if by competition, what sort of contract to use
- in care, the collective term for all the process involved in meeting an assessed need; deciding which service is needed to meet it, and specifying this service, procuring it and monitoring it.

Conformance

Compliance with laws and regulations, best practice governance codes, accountability, and the provision of assurances to stakeholders in general. The term can refer to internal factors defined by the officers, shareholders, or constitution of an organisation, as well as external forces, such as consumer groups, clients, and regulators.

Cyber security

A specialised form of ICT security specifically focused on (external) networks and internet connections (addressing threats from 'cyber space').

Effectiveness

The relationship between actual results and service performance objectives in terms of outputs or outcomes. Effectiveness describes the relationship between an organisation's actual results and its service performance objectives.

Efficiency

The relationship between inputs and outputs, or inputs and outcomes. An efficiency indicator can be used to show when a service is being provided more (or less) efficiently compared to previous reporting periods, expectations, comparable service providers, or benchmarks derived, for example, from best practices within a group of comparable service providers.

Ethical values

Standards or principles that are commonly considered to be good. Ethical values can change over time and differ between societies or cultures.

Ethics

A system of moral principles by which human actions may be judged.

Executive

Executive management and/or chief executive.

External audit

Independent, qualified person(s) who carry out a review to give assurance to external stakeholders on an organisation's financial statements, systems, and processes.

Governance

Comprises the arrangements (including political, economic, social, environmental, administrative, legal, and other arrangements) put in place to ensure that the intended outcomes for stakeholders are defined and achieved.

Governing body

The person(s) or group with primary responsibility for overseeing an organisation's strategic direction, operations, and accountability. This is the full council in a local authority.

Independence

- a. Independence of mind** – the state of mind that permits the expression of a conclusion without being affected by influences that compromise professional judgement, thereby allowing an individual to act with integrity and exercise objectivity and professional scepticism.
- b. Independence in appearance** – the avoidance of facts and circumstances that are so significant that a reasonable and informed third party would be likely to conclude, weighing all the specific facts and circumstances, that a firm's, or a member of the audit or assurance team's, integrity, objectivity or professional scepticism has been compromised.

Input(s)

Capitals/resources used to generate and deliver services to achieve intended outcomes.

Institutional stakeholders

The other organisations/bodies with which a public sector organisation needs to work to improve services and outcomes, or organisations to which it is accountable.

Integrated report

A concise communication about how an organisation's strategy, governance, performance, and prospects, in the context of its external environment, lead to the creation of value in the short, medium, and long term.

Integrated reporting

A process that results in communication by an organisation, most visibly through a periodic integrated report, about value creation over time.

Integrated services

Two or more services which are functions of different bodies, when provided seamlessly by one of them, or by a joint body.

Integrity

Holders of public office must avoid placing themselves under any obligation to people or organisations that might try inappropriately to influence them in their work. They should not act or take decisions to gain financial or other material benefits for themselves, their family, or their friends. They must declare and resolve any such interests and relationships.

Internal auditing

An independent, objective assurance and consulting activity designed to add value and improve an organisation's operations. It helps an organisation accomplish its objectives by bringing a systematic, disciplined approach to evaluate and improve the effectiveness of risk management, control, and governance processes.

Internal control

The term 'internal control' can have multiple meanings, including the following:

- **A system or process**
The entirety of an organisation's system of internal control, ie an organisation's internal control system.
- **An activity or measure**
The actual measure to treat risks and to effect internal control, ie individual internal controls.
- **A state or outcome**
The outcome of the internal control system or process, ie an organisation achieving or sustaining appropriate or effective internal control.

See [Evaluating and Improving Internal Control in Organizations](#) (IFAC, 2012) for a more detailed definition.

Interventions

The means by which the public sector achieves its outcomes. These include:

- enacting legislation or regulations
- delivering goods and services
- redistributing income through mechanisms such as taxation or social security payments
- the ownership of assets or entities, such as state-owned enterprises.

Joint boards

Joint bodies set up by order to discharge specified functions of specified local authorities.

Joint committees

Joint bodies set up by agreement to discharge functions and carry out activities jointly on behalf of local authorities or their executives.

Joint venture agreements

These specify what each partner will do to further the venture, and at what stage.

Joint ventures

Enterprises in which two or more partners join, and in which they share the risks and rewards.

Leadership team

Comprises the governing body and management team.

Local authority company

A company in which a local authority has shares, rights to appoint some or all of the directors, or other legal interests.

Management

Person(s) with executive responsibility for the conduct of the public sector organisation's operations.

Management team

Group of executive staff comprising senior management charged with the execution of strategy.

Memorandum of association

The registered objectives of a company.

Outcome(s)

The impacts on society, which occur as a result of the organisation's outputs, its existence, and operations. There may be a strong, direct causal link between an organisation's actions

and its achievements with respect to outcomes, but this will not always be the case. Factors beyond the organisation's control may intervene to either hinder or facilitate the achievement of outcomes.

Outcome target/service performance objective

A description of the planned result(s) that an organisation is aiming to achieve expressed in terms of inputs, outputs, outcomes, efficiency, or effectiveness. Service performance objectives may be expressed using performance indicators of inputs, outputs, outcomes, efficiency, or effectiveness.

Output(s)

The services provided by an entity to recipients external to the organisation.

Performance

An organisation's achievements relative to its strategic objectives and its outcomes in terms of its effects on the capitals.

Performance indicators

Quantitative measures, qualitative measures, and/or qualitative discussions of the nature and extent to which an organisation is using resources, providing services, and achieving its service performance objectives. The types of performance indicators used to report service performance information relating to inputs, outputs, outcomes, efficiency, and effectiveness.

Performance management system

Mechanisms to monitor service delivery throughout all stages in the process, including planning, specification, execution, and independent post-assessment review.

Public financial management

The system by which financial resources are planned, directed, and controlled to enable and influence the efficient and effective delivery of public service goals.

Public interest

The net benefits derived for, and procedural rigor employed on behalf of all society in relation to any action, decision, or policy.

Public sector services

All the outputs of a public sector organisation, such as products, services, or regulation geared toward achieving certain outcomes.

Reporting process

The people and processes involved in the preparation, review, approval, audit (when relevant), analysis, and distribution of a public sector organisation's reports, both internal and external. All sections in the process need to be robust and closely connected to yield effective reports.

Risk

ISO Standard 31000:2009 – Risk Management defines risk as “the effect of uncertainty on objectives”, which can be positive or negative.

Risk management

ISO Standard 31000:2009 – Risk Management defines risk management as “co-ordinated activities to direct and control an organization with regard to risk”.

Rule of law

Observing legal requirements. The rule of law also implies having effective mechanisms to deal with breaches of legal and regulatory provisions.

Social enterprise

A body which:

- carries on a business for some specified social or environmental purpose
- devotes the greater part of any surpluses to achieving this purpose
- depends primarily on trading for this purpose and not on grants, covenants or donations.

Social value

Social value is concerned with social, economic and environmental wellbeing. In England and Wales, the Public Services (Social Value) Act 2012 requires public bodies to consider how the services they commission and procure might improve the economic, social and environmental wellbeing of the area.

Staff mutual

A loose collective term for bodies formed by buy-outs in which staff have had some part.

Stakeholder

Any person, group, or entity that has an interest in a public sector organisation’s activities, resources, or output, or that is affected by that output. Stakeholders can include regulators, shareholders, debt holders, employees, customers, suppliers, advocacy groups, governments, business partners, and society as a whole.

Stakeholder engagement

Communication and consultation between a public sector organisation and the internal and external stakeholders it engages with.

Strategic planning

A process by which an organisation’s vision is translated into defined objectives and associated steps to achieve them.

Strategy

Long-term plan or policy.

Stewardship

Responsible planning, management, and accountability of the use and custody of a public sector organisation's resources.

Sustainability

The capacity of an individual entity, community, or global population to continue to survive successfully by meeting its intended economic, environmental, and social outcomes while living within its resource limits.

Tone at the top

The words and deeds of an organisation's governing body and senior management that determine its values, culture, and the behaviour and actions of individuals; also defined as 'leading by example'.

Transparency

Openness about the outcomes a public sector organisation is pursuing, the resources necessary or used, and the performance achieved.

Useful information

Information that is relevant to users and faithfully represents what it purports to represent. The usefulness of information is enhanced if it is comparable, verifiable, timely, and understandable.

Value for money

Achieving 'value for money' is often described in terms of economy, efficiency, and effectiveness.

Values

What an entity and individuals stand for; also described as standard operating principles.

Whole-system approach

Based on the argument that public financial management (PFM) will be more effective and more sustainable if there is a balance across the full range of PFM processes, buttressed by effective national, sub-national, and supra-national organisations and, in the context of international development, supported by relevant donor contributions. It defines how the key constituent parts (such as external assurance and scrutiny, financial reporting, and audit standards) contribute to the integrity of the whole system.



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delivering good governance

in Local Government
Framework
2016 Edition



CIPFA, the Chartered Institute of Public Finance and Accountancy, is the professional body for people in public finance. Our 14,000 members work throughout the public services, in national audit agencies, in major accountancy firms, and in other bodies where public money needs to be effectively and efficiently managed. As the world's only professional accountancy body to specialise in public services, CIPFA's qualifications are the foundation for a career in public finance. We also champion high performance in public services, translating our experience and insight into clear advice and practical services. Globally, CIPFA shows the way in public finance by standing up for sound public financial management and good governance.

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Published by:

CIPFA \ THE CHARTERED INSTITUTE OF PUBLIC FINANCE AND ACCOUNTANCY

77 Mansell Street, London E1 8AN

020 7543 5600 \ publications@cipfa.org \ www.cipfa.org

© April 2016 CIPFA

ISBN 978 1 84508 456 1

Designed and typeset by Ministry of Design, Bath
(www.ministryofdesign.co.uk)

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Acknowledgements

CIPFA and Solace have drawn together the following members of the Joint Working Group and are grateful to them and to their employing organisations for their time and assistance in preparing this *Delivering Good Governance in Local Government: Framework*.

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CHAPTER ONE

Introduction

- 1.1** Governance arrangements in the public services are keenly observed and sometimes criticised. Significant governance failings attract huge attention – as they should – and one significant failing can taint a whole sector. Local government organisations are big business and are vitally important to tax payers and service users. They need to ensure that they meet the highest standards and that governance arrangements are not only sound but are seen to be sound.
- 1.2** It is crucial that leaders and chief executives keep their governance arrangements up to date and relevant. The main principle underpinning the development of the new *Delivering Good Governance in Local Government: Framework* (CIPFA/Solace, 2016) ('the Framework') continues to be that local government is developing and shaping its own approach to governance, taking account of the environment in which it now operates. The Framework is intended to assist authorities individually in reviewing and accounting for their own unique approach. The overall aim is to ensure that resources are directed in accordance with agreed policy and according to priorities, that there is sound and inclusive decision making and that there is clear accountability for the use of those resources in order to achieve desired outcomes for service users and communities.
- 1.3** The Framework positions the attainment of sustainable economic, societal, and environmental outcomes as a key focus of governance processes and structures. Outcomes give the role of local government its meaning and importance, and it is fitting that they have this central role in the sector's governance. Furthermore, the focus on sustainability and the links between governance and public financial management are crucial – local authorities must recognise the need to focus on the long term. Local authorities have responsibilities to more than their current electors as they must take account of the impact of current decisions and actions on future generations.

CHAPTER TWO

Status

- 2.1** Section 3.7 of the CIPFA/LASAAC Code of Practice on Local Authority Accounting in the United Kingdom 2016/17 notes:

Regulation 6(1)(a) of the Accounts and Audit Regulations 2015, Regulation 4(2) of the Local Government (Accounts and Audit) Regulations (Northern Ireland) 2015, Regulation 5(2) of the Local Authority Accounts (Scotland) Regulations 2014 and Regulation 5(2) of the Accounts and Audit (Wales) Regulations 2014 require an authority to conduct a review at least once in a year of the effectiveness of its system of internal control and include a statement reporting on the review with any published Statement of Accounts (England) (as a part of the Annual Accounts (Scotland)). Regulation 6(1)(b) of the Accounts and Audit Regulations 2015, Regulation 4(4) of the Local Government (Accounts and Audit) Regulations (Northern Ireland) 2015 and Regulation 5(4) of the Local Authority Accounts (Scotland) Regulations 2014 require that for a local authority in England, Northern Ireland and Scotland the statement is an Annual Governance Statement.

The preparation and publication of an Annual Governance Statement in accordance with Delivering Good Governance in Local Government: Framework (2016) would fulfil the statutory requirements across the United Kingdom for a local authority to conduct a review at least once in each financial year of the effectiveness of its system of internal control and to include a statement reporting on the review with its Statement of Accounts. In England the Accounts and Audit Regulations 2015 stipulate that the Annual Governance Statement must be “prepared in accordance with proper practices in relation to accounts”. Therefore a local authority in England shall provide this statement in accordance with Delivering Good Governance in Local Government: Framework (2016) and this section of the Code.

- 2.2** This Framework applies to annual governance statements prepared for the financial year 2016/17 onwards.

CHAPTER THREE

Requirements

- 3.1** The Framework defines the principles that should underpin the governance of each local government organisation. It provides a structure to help individual authorities with their approach to governance. Whatever form of arrangements are in place, authorities should therefore test their governance structures and partnerships against the principles contained in the Framework by:
- reviewing existing governance arrangements
 - developing and maintaining an up-to-date local code of governance, including arrangements for ensuring ongoing effectiveness
 - reporting publicly on compliance with their own code on an annual basis and on how they have monitored the effectiveness of their governance arrangements in the year and on planned changes.
- 3.2** The term ‘local code’ essentially refers to the governance structure in place as there is an expectation that a formally set out local structure should exist, although in practice it may consist of a number of local codes or documents.
- 3.3** To achieve good governance, each local authority should be able to demonstrate that its governance structures comply with the core and sub-principles contained in this Framework. It should therefore develop and maintain a local code of governance/governance arrangements reflecting the principles set out.
- 3.4** It is also crucial that the Framework is applied in a way that demonstrates the spirit and ethos of good governance which cannot be achieved by rules and procedures alone. Shared values that are integrated into the culture of an organisation, and are reflected in behaviour and policy, are hallmarks of good governance.

Applicability and terminology

APPLICABILITY

- 4.1** The Framework is for all parts of local government and its partnerships, including:
- county councils
 - district, borough and city councils
 - metropolitan and unitary councils
 - the Greater London Authority and functional bodies
 - combined authorities, city regions, devolved structures
 - the City of London Corporation
 - combined fire authorities
 - joint authorities
 - police authorities, which for these purposes since 2012 includes both the police and crime commissioner (PCC) and the chief constable
 - national park authorities.
- 4.2** The Framework is applicable to a system involving a group of local government organisations as well as to each of them individually. The Framework principles are therefore intended to be relevant to all organisations and systems associated with local authorities, ie joint boards, partnerships and other vehicles through which authorities now work. However, a one-size-fits-all approach to governance is inappropriate. Not all parts of the Framework will be directly applicable to all types and size of such structures, and it is therefore up to different authorities and associated organisations to put the Framework into practice in a way that reflects their structures and is proportionate to their size.

TERMINOLOGY

- 4.3** The terms ‘authorities’, ‘local government organisations’ and ‘organisations’ are used throughout this Framework and should be taken to cover any partnerships and joint working arrangements in operation.
- 4.4** In the police service, where the accountabilities rest with designated individuals rather than a group of members, terms such as ‘leader’ should be interpreted as relating to the PCC or the chief constable as appropriate.

CHAPTER FIVE

Guidance notes

- 5.1** In recognition of the separate legislation applicable to different parts of local government, guidance notes to accompany the Framework have been developed for:
- local government in England (excluding police)
 - local government in Wales (excluding police)
 - police in England and Wales
 - local government in Scotland.
- 5.2** The guidance notes, which should be used in conjunction with the Framework, are intended to assist authorities across their governance systems, structures and partnerships in reviewing their governance arrangements. It will also help them in interpreting the overarching principles and terminology contained in the Framework in a way that is appropriate for their governance structures, taking account of the legislative and constitutional arrangements that underpin them.

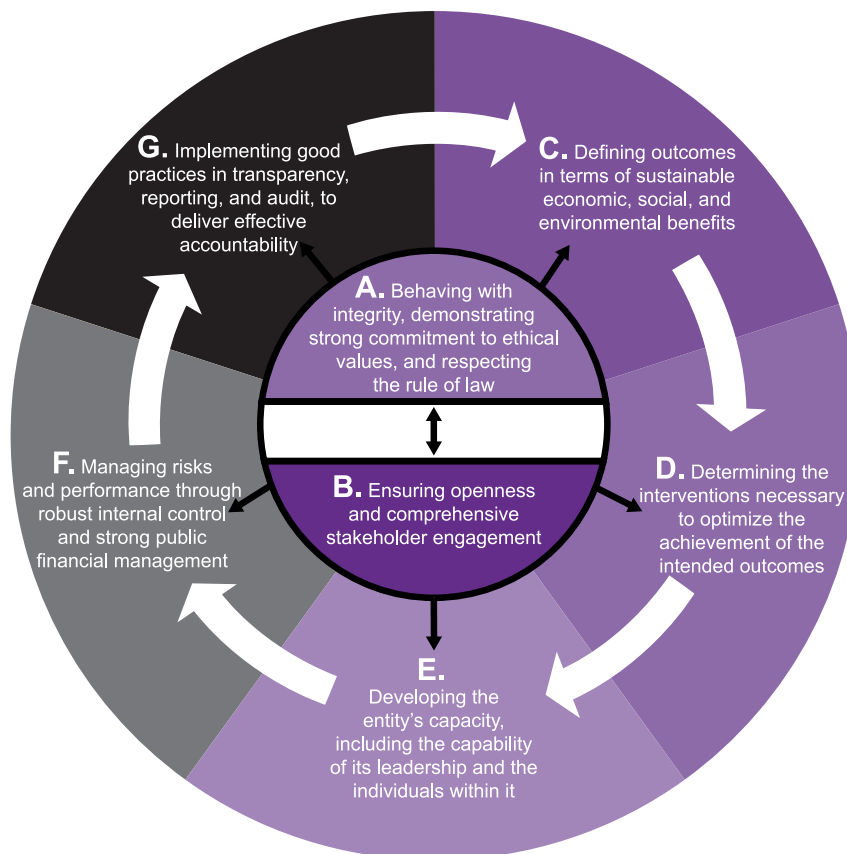
CHAPTER SIX

The principles of good governance – application

DEFINING THE CORE PRINCIPLES AND SUB-PRINCIPLES OF GOOD GOVERNANCE

- 6.1 The diagram below, taken from the [International Framework: Good Governance in the Public Sector](#) (CIPFA/IFAC, 2014) (the ‘International Framework’), illustrates the various principles of good governance in the public sector and how they relate to each other.

Achieving the Intended Outcomes While Acting in the Public Interest at all Times



The International Framework notes that:

Principles A and B permeate implementation of principles C to G. The diagram also illustrates that good governance is dynamic, and that an entity as a whole should be committed to improving governance on a continuing basis through a process of evaluation and review.

DEFINING GOVERNANCE

- 6.2** The International Framework defines governance as follows:

Governance comprises the arrangements put in place to ensure that the intended outcomes for stakeholders are defined and achieved.

The International Framework also states that:

To deliver good governance in the public sector, both governing bodies and individuals working for public sector entities must try to achieve their entity's objectives while acting in the public interest at all times.

Acting in the public interest implies primary consideration of the benefits for society, which should result in positive outcomes for service users and other stakeholders.

- 6.3** In local government, the governing body is the full council or authority. In the police, PCCs and chief constables are corporations sole and are jointly responsible for governance. The many references to 'members' in the tables which follow should be read in the context that the principles set out apply equally in the police.

PRINCIPLES OF GOOD GOVERNANCE IN LOCAL GOVERNMENT

- 6.4** The core principles and sub-principles of good governance set out in the table below are taken from the International Framework. In turn they have been interpreted for a local government context.

It is up to each local authority or local government organisation to:

- set out its commitment to the principles of good governance included in this Framework
- determine its own governance structure, or local code, underpinned by these principles
- ensure that it operates effectively in practice.

Core principles and sub-principles of good governance

Core principles (shown in bold)	Sub-principles (shown in bold)
Acting in the public interest requires a commitment to and effective arrangements for:	Behaviours and actions that demonstrate good governance in practice are illustrated in the bullet points.
A. Behaving with integrity, demonstrating strong commitment to ethical values, and respecting the rule of law Local government organisations are accountable not only for how much they spend, but also for how they use the resources under their stewardship. This includes accountability for outputs, both positive and negative, and for the outcomes they have achieved. In addition, they have an overarching responsibility to serve the public interest in adhering to the requirements of legislation and government policies. It is essential that, as a whole, they can demonstrate the appropriateness of all their actions across all activities and have mechanisms in place to encourage and enforce adherence to ethical values and to respect the rule of law.	Behaving with integrity ■ Ensuring members and officers behave with integrity and lead a culture where acting in the public interest is visibly and consistently demonstrated thereby protecting the reputation of the organisation ■ Ensuring members take the lead in establishing specific standard operating principles or values for the organisation and its staff and that they are communicated and understood. These should build on the Seven Principles of Public Life (the Nolan Principles) ■ Leading by example and using the above standard operating principles or values as a framework for decision making and other actions ■ Demonstrating, communicating and embedding the standard operating principles or values through appropriate policies and processes which are reviewed on a regular basis to ensure that they are operating effectively Demonstrating strong commitment to ethical values ■ Seeking to establish, monitor and maintain the organisation's ethical standards and performance ■ Underpinning personal behaviour with ethical values and ensuring they permeate all aspects of the organisation's culture and operation ■ Developing and maintaining robust policies and procedures which place emphasis on agreed ethical values ■ Ensuring that external providers of services on behalf of the organisation are required to act with integrity and in compliance with ethical standards expected by the organisation

Core principles (shown in bold)	Sub-principles (shown in bold)
	Respecting the rule of law ■ Ensuring members and staff demonstrate a strong commitment to the rule of the law as well as adhering to relevant laws and regulations ■ Creating the conditions to ensure that the statutory officers, other key post holders, and members, are able to fulfil their responsibilities in accordance with legislative and regulatory requirements ■ Striving to optimise the use of the full powers available for the benefit of citizens, communities and other stakeholders ■ Dealing with breaches of legal and regulatory provisions effectively ■ Ensuring corruption and misuse of power are dealt with effectively
B. Ensuring openness and comprehensive stakeholder engagement Local government is run for the public good, organisations therefore should ensure openness in their activities. Clear, trusted channels of communication and consultation should be used to engage effectively with all groups of stakeholders, such as individual citizens and service users, as well as institutional stakeholders.	Openness ■ Ensuring an open culture through demonstrating, documenting and communicating the organisation's commitment to openness ■ Making decisions that are open about actions, plans, resource use, forecasts, outputs and outcomes. The presumption is for openness. If that is not the case, a justification for the reasoning for keeping a decision confidential should be provided ■ Providing clear reasoning and evidence for decisions in both public records and explanations to stakeholders and being explicit about the criteria, rationale and considerations used. In due course, ensuring that the impact and consequences of those decisions are clear ■ Using formal and informal consultation and engagement to determine the most appropriate and effective interventions/ courses of action Engaging comprehensively with institutional stakeholders NB institutional stakeholders are the other organisations that local government needs to work with to improve services and outcomes (such as commercial partners and suppliers as well as other public or third sector organisations) or organisations to which they are accountable. ■ Effectively engaging with institutional stakeholders to ensure that the purpose, objectives and intended outcomes for each stakeholder relationship are clear so that outcomes are achieved successfully and sustainably

Core principles (shown in bold)	Sub-principles (shown in bold)
	■ Developing formal and informal partnerships to allow for resources to be used more efficiently and outcomes achieved more effectively ■ Ensuring that partnerships are based on: – trust – a shared commitment to change – a culture that promotes and accepts challenge among partners
	and that the added value of partnership working is explicit
	Engaging with individual citizens and service users effectively
	■ Establishing a clear policy on the type of issues that the organisation will meaningfully consult with or involve communities, individual citizens, service users and other stakeholders to ensure that service (or other) provision is contributing towards the achievement of intended outcomes ■ Ensuring that communication methods are effective and that members and officers are clear about their roles with regard to community engagement ■ Encouraging, collecting and evaluating the views and experiences of communities, citizens, service users and organisations of different backgrounds including reference to future needs ■ Implementing effective feedback mechanisms in order to demonstrate how views have been taken into account ■ Balancing feedback from more active stakeholder groups with other stakeholder groups to ensure inclusivity ■ Taking account of the impact of decisions on future generations of tax payers and service users

Principles (shown in bold)	Sub-principles (shown in bold)
In addition to the overarching requirements for acting in the public interest in principles A and B, achieving good governance also requires a commitment to and effective arrangements for: C. Defining outcomes in terms of sustainable economic, social, and environmental benefits The long-term nature and impact of many of local government's responsibilities mean that it should define and plan outcomes and that these should be sustainable. Decisions should further the organisation's purpose, contribute to intended benefits and outcomes, and remain within the limits of authority and resources. Input from all groups of stakeholders, including citizens, service users, and institutional stakeholders, is vital to the success of this process and in balancing competing demands when determining priorities for the finite resources available.	Behaviours and actions that demonstrate good governance in practice are illustrated in the bullet points. Defining outcomes ■ Having a clear vision, which is an agreed formal statement of the organisation's purpose and intended outcomes containing appropriate performance indicators, which provide the basis for the organisation's overall strategy, planning and other decisions ■ Specifying the intended impact on, or changes for, stakeholders including citizens and service users. It could be immediately or over the course of a year or longer ■ Delivering defined outcomes on a sustainable basis within the resources that will be available ■ Identifying and managing risks to the achievement of outcomes ■ Managing service users' expectations effectively with regard to determining priorities and making the best use of the resources available Sustainable economic, social and environmental benefits ■ Considering and balancing the combined economic, social and environmental impact of policies and plans when taking decisions about service provision ■ Taking a longer-term view with regard to decision making, taking account of risk and acting transparently where there are potential conflicts between the organisation's intended outcomes and short-term factors such as the political cycle or financial constraints ■ Determining the wider public interest associated with balancing conflicting interests between achieving the various economic, social and environmental benefits, through consultation where possible, in order to ensure appropriate trade-offs ■ Ensuring fair access to services

Principles (shown in bold)	Sub-principles (shown in bold)
D. Determining the interventions necessary to optimise the achievement of the intended outcomes Local government achieves its intended outcomes by providing a mixture of legal, regulatory, and practical interventions (courses of action). Determining the right mix of these courses of action is a critically important strategic choice that local government has to make to ensure intended outcomes are achieved. They need robust decision-making mechanisms to ensure that their defined outcomes can be achieved in a way that provides the best trade-off between the various types of resource inputs while still enabling effective and efficient operations. Decisions made need to be reviewed frequently to ensure that achievement of outcomes is optimised.	Determining interventions ■ Ensuring decision makers receive objective and rigorous analysis of a variety of options indicating how intended outcomes would be achieved and associated risks. Therefore ensuring best value is achieved however services are provided ■ Considering feedback from citizens and service users when making decisions about service improvements or where services are no longer required in order to prioritise competing demands within limited resources available including people, skills, land and assets and bearing in mind future impacts Planning interventions ■ Establishing and implementing robust planning and control cycles that cover strategic and operational plans, priorities and targets ■ Engaging with internal and external stakeholders in determining how services and other courses of action should be planned and delivered ■ Considering and monitoring risks facing each partner when working collaboratively, including shared risks ■ Ensuring arrangements are flexible and agile so that the mechanisms for delivering goods and services can be adapted to changing circumstances ■ Establishing appropriate key performance indicators (KPIs) as part of the planning process in order to identify how the performance of services and projects is to be measured ■ Ensuring capacity exists to generate the information required to review service quality regularly ■ Preparing budgets in accordance with objectives, strategies and the medium term financial plan ■ Informing medium and long term resource planning by drawing up realistic estimates of revenue and capital expenditure aimed at developing a sustainable funding strategy

Principles (shown in bold)	Sub-principles (shown in bold)
	Optimising achievement of intended outcomes ■ Ensuring the medium term financial strategy integrates and balances service priorities, affordability and other resource constraints ■ Ensuring the budgeting process is all-inclusive, taking into account the full cost of operations over the medium and longer term ■ Ensuring the medium term financial strategy sets the context for ongoing decisions on significant delivery issues or responses to changes in the external environment that may arise during the budgetary period in order for outcomes to be achieved while optimising resource usage ■ Ensuring the achievement of 'social value' through service planning and commissioning
E. Developing the entity's capacity, including the capability of its leadership and the individuals within it Local government needs appropriate structures and leadership, as well as people with the right skills, appropriate qualifications and mindset, to operate efficiently and effectively and achieve intended outcomes within the specified periods. A local government organisation must ensure that it has both the capacity to fulfil its own mandate and to make certain that there are policies in place to guarantee that its management has the operational capacity for the organisation as a whole. Because both individuals and the environment in which an organisation operates will change over time, there will be a continuous need to develop its capacity as well as the skills and experience of individual staff members. Leadership in local government is strengthened by the participation of people with many different types of backgrounds, reflecting the structure and diversity of communities.	Developing the entity's capacity ■ Reviewing operations, performance and use of assets on a regular basis to ensure their continuing effectiveness ■ Improving resource use through appropriate application of techniques such as benchmarking and other options in order to determine how resources are allocated so that defined outcomes are achieved effectively and efficiently ■ Recognising the benefits of partnerships and collaborative working where added value can be achieved ■ Developing and maintaining an effective workforce plan to enhance the strategic allocation of resources Developing the capability of the entity's leadership and other individuals ■ Developing protocols to ensure that elected and appointed leaders negotiate with each other regarding their respective roles early on in the relationship and that a shared understanding of roles and objectives is maintained ■ Publishing a statement that specifies the types of decisions that are delegated and those reserved for the collective decision making of the governing body ■ Ensuring the leader and the chief executive have clearly defined and distinctive leadership roles within a structure whereby the chief executive leads in implementing strategy and managing the delivery of services and other outputs set by members and each provides a check and a balance for each other's authority

Principles (shown in bold)	Sub-principles (shown in bold)
	■ Developing the capabilities of members and senior management to achieve effective leadership and to enable the organisation to respond successfully to changing legal and policy demands as well as economic, political and environmental changes and risks by: – ensuring members and staff have access to appropriate induction tailored to their role and that ongoing training and development matching individual and organisational requirements is available and encouraged – ensuring members and officers have the appropriate skills, knowledge, resources and support to fulfil their roles and responsibilities and ensuring that they are able to update their knowledge on a continuing basis – ensuring personal, organisational and system-wide development through shared learning, including lessons learnt from governance weaknesses both internal and external ■ Ensuring that there are structures in place to encourage public participation ■ Taking steps to consider the leadership's own effectiveness and ensuring leaders are open to constructive feedback from peer review and inspections ■ Holding staff to account through regular performance reviews which take account of training or development needs ■ Ensuring arrangements are in place to maintain the health and wellbeing of the workforce and support individuals in maintaining their own physical and mental wellbeing

Principles (shown in bold)	Sub-principles (shown in bold)
F. Managing risks and performance through robust internal control and strong public financial management Local government needs to ensure that the organisations and governance structures that it oversees have implemented, and can sustain, an effective performance management system that facilitates effective and efficient delivery of planned services. Risk management and internal control are important and integral parts of a performance management system and are crucial to the achievement of outcomes. Risk should be considered and addressed as part of all decision making activities. A strong system of financial management is essential for the implementation of policies and the achievement of intended outcomes, as it will enforce financial discipline, strategic allocation of resources, efficient service delivery and accountability. It is also essential that a culture and structure for scrutiny are in place as a key part of accountable decision making, policy making and review. A positive working culture that accepts, promotes and encourages constructive challenge is critical to successful scrutiny and successful service delivery. Importantly, this culture does not happen automatically, it requires repeated public commitment from those in authority.	Managing risk ■ Recognising that risk management is an integral part of all activities and must be considered in all aspects of decision making ■ Implementing robust and integrated risk management arrangements and ensuring that they are working effectively ■ Ensuring that responsibilities for managing individual risks are clearly allocated Managing performance ■ Monitoring service delivery effectively including planning, specification, execution and independent post implementation review ■ Making decisions based on relevant, clear objective analysis and advice pointing out the implications and risks inherent in the organisation's financial, social and environmental position and outlook ■ Ensuring an effective scrutiny or oversight function is in place which provides constructive challenge and debate on policies and objectives before, during and after decisions are made thereby enhancing the organisation's performance and that of any organisation for which it is responsible (Or, for a committee system) Encouraging effective and constructive challenge and debate on policies and objectives to support balanced and effective decision making ■ Providing members and senior management with regular reports on service delivery plans and on progress towards outcome achievement ■ Ensuring there is consistency between specification stages (such as budgets) and post implementation reporting (eg financial statements)

Principles (shown in bold)	Sub-principles (shown in bold)
	Robust internal control ■ Aligning the risk management strategy and policies on internal control with achieving objectives ■ Evaluating and monitoring risk management and internal control on a regular basis ■ Ensuring effective counter fraud and anti-corruption arrangements are in place ■ Ensuring additional assurance on the overall adequacy and effectiveness of the framework of governance, risk management and control is provided by the internal auditor ■ Ensuring an audit committee or equivalent group/function, which is independent of the executive and accountable to the governing body: – provides a further source of effective assurance regarding arrangements for managing risk and maintaining an effective control environment – that its recommendations are listened to and acted upon
	Managing data ■ Ensuring effective arrangements are in place for the safe collection, storage, use and sharing of data, including processes to safeguard personal data ■ Ensuring effective arrangements are in place and operating effectively when sharing data with other bodies ■ Reviewing and auditing regularly the quality and accuracy of data used in decision making and performance monitoring
	Strong public financial management ■ Ensuring financial management supports both long term achievement of outcomes and short-term financial and operational performance ■ Ensuring well-developed financial management is integrated at all levels of planning and control, including management of financial risks and controls

Principles (shown in bold)	Sub-principles (shown in bold)
G. Implementing good practices in transparency, reporting, and audit to deliver effective accountability Accountability is about ensuring that those making decisions and delivering services are answerable for them. Effective accountability is concerned not only with reporting on actions completed, but also ensuring that stakeholders are able to understand and respond as the organisation plans and carries out its activities in a transparent manner. Both external and internal audit contribute to effective accountability.	Implementing good practice in transparency ■ Writing and communicating reports for the public and other stakeholders in a fair, balanced and understandable style appropriate to the intended audience and ensuring that they are easy to access and interrogate ■ Striking a balance between providing the right amount of information to satisfy transparency demands and enhance public scrutiny while not being too onerous to provide and for users to understand Implementing good practices in reporting ■ Reporting at least annually on performance, value for money and stewardship of resources to stakeholders in a timely and understandable way ■ Ensuring members and senior management own the results reported ■ Ensuring robust arrangements for assessing the extent to which the principles contained in this Framework have been applied and publishing the results on this assessment, including an action plan for improvement and evidence to demonstrate good governance (the annual governance statement) ■ Ensuring that this Framework is applied to jointly managed or shared service organisations as appropriate ■ Ensuring the performance information that accompanies the financial statements is prepared on a consistent and timely basis and the statements allow for comparison with other, similar organisations Assurance and effective accountability ■ Ensuring that recommendations for corrective action made by external audit are acted upon ■ Ensuring an effective internal audit service with direct access to members is in place, providing assurance with regard to governance arrangements and that recommendations are acted upon ■ Welcoming peer challenge, reviews and inspections from regulatory bodies and implementing recommendations ■ Gaining assurance on risks associated with delivering services through third parties and that this is evidenced in the annual governance statement ■ Ensuring that when working in partnership, arrangements for accountability are clear and the need for wider public accountability has been recognised and met

Annual review and reporting

THE ANNUAL GOVERNANCE STATEMENT

- 7.1** Local authorities are required to prepare an annual governance statement (see Chapter two) in order to report publicly on the extent to which they comply with their own code of governance, which in turn is consistent with the good governance principles in this Framework. This includes how they have monitored and evaluated the effectiveness of their governance arrangements in the year, and on any planned changes in the coming period. The process of preparing the governance statement should itself add value to the effectiveness of the governance and internal control framework.
- 7.2** The annual governance statement is a valuable means of communication. It enables an authority to explain to the community, service users, tax payers and other stakeholders its governance arrangements and how the controls it has in place manage risks of failure in delivering its outcomes. It should reflect an individual authority's particular features and challenges.
- 7.3** The annual governance statement should provide a meaningful but brief communication regarding the review of governance that has taken place, including the role of the governance structures involved (such as the authority, the audit and other committees). It should be high level, strategic and written in an open and readable style.
- 7.4** The annual governance statement should be focused on outcomes and value for money and relate to the authority's vision for the area. It should provide an assessment of the effectiveness of the authority's governance arrangements in supporting the planned outcomes – not simply a description of them. Key elements of an authority's governance arrangements are summarised in the next section.
- 7.5** The annual governance statement should include:
- an acknowledgement of responsibility for ensuring that there is a sound system of governance (incorporating the system of internal control) and reference to the authority's code of governance
 - reference to and assessment of the effectiveness of key elements of the governance framework and the role of those responsible for the development and maintenance of the governance environment, such as the authority, the executive, the audit committee, internal audit and others as appropriate
 - an opinion on the level of assurance that the governance arrangements can provide and that the arrangements continue to be regarded as fit for purpose in accordance with the governance framework

- an agreed action plan showing actions taken, or proposed, to deal with significant governance issues
 - reference to how issues raised in the previous year's annual governance statement have been resolved
 - a conclusion – a commitment to monitoring implementation as part of the next annual review.
- 7.6** The annual governance statement should be signed by the leading member (or equivalent) and chief executive (or equivalent) on behalf of the authority.
- 7.7** The annual governance statement should be approved at a meeting of the authority or delegated committee (in Scotland, the authority or a committee with a remit including audit or governance).
- 7.8** Local authorities are required to include the annual governance statement with their statement of accounts. As the annual governance statement provides a commentary on all aspects of the authority's performance, it is appropriate for it to be published, either in full or as a summary, in the annual report, where one is published. It is important that it is kept up to date at time of publication.

GOVERNANCE ARRANGEMENTS

- 7.9** Key elements of the structures and processes that comprise an authority's governance arrangements are summarised below. They do not need to be described in detail in the annual governance statement if they are already easily accessible by the public, for example through the authority's code of governance.
- Developing codes of conduct which define standards of behaviour for members and staff, and policies dealing with whistleblowing and conflicts of interest and that these codes and policies are communicated effectively.
 - Ensuring compliance with relevant laws and regulations, internal policies and procedures, and that expenditure is lawful.
 - Documenting a commitment to openness and acting in the public interest.
 - Establishing clear channels of communication with all sections of the community and other stakeholders, ensuring accountability and encouraging open consultation.
 - Developing and communicating a vision which specifies intended outcomes for citizens and service users and is used as a basis for planning.
 - Translating the vision into courses of action for the authority, its partnerships and collaborations.
 - Reviewing the effectiveness of the decision-making framework, including delegation arrangements, decision-making in partnerships, information provided to decision makers and robustness of data quality.
 - Measuring the performance of services and related projects and ensuring that they are delivered in accordance with defined outcomes and that they represent the best use of resources and value for money.

- Defining and documenting the roles and responsibilities of members and management, with clear protocols for effective communication in respect of the authority and partnership arrangements.
- Ensuring that financial management arrangements conform with the governance requirements of the [CIPFA Statement on the Role of the Chief Financial Officer in Local Government](#) (2015) or [CIPFA Statement on the Role of the Chief Financial Officer of the Police and Crime Commissioner and the Chief Financial Officer of the Chief Constable](#) (2014) as appropriate and, where they do not, explain why and how they deliver the same impact.
- Ensuring effective arrangements are in place for the discharge of the monitoring officer function.
- Ensuring effective arrangements are in place for the discharge of the head of paid service function.
- Providing induction and identifying the development needs of members and senior officers in relation to their strategic roles, supported by appropriate training.
- Reviewing the effectiveness of the framework for identifying and managing risks and for performance and demonstrating clear accountability.
- Ensuring effective counter fraud and anti-corruption arrangements are developed and maintained in accordance with the [Code of Practice on Managing the Risk of Fraud and Corruption](#) (CIPFA, 2014).
- Ensuring an effective scrutiny function is in place.
- Ensuring that assurance arrangements conform with the governance requirements of the [CIPFA Statement on the Role of the Head of Internal Audit](#) (2010) and, where they do not, explain why and how they deliver the same impact.
- Undertaking the core functions of an audit committee, as identified in [Audit Committees: Practical Guidance for Local Authorities and Police](#) (CIPFA, 2013).
- Ensuring that the authority provides timely support, information and responses to external auditors and properly considers audit findings and recommendations.
- Incorporating good governance arrangements in respect of partnerships and other joint working and ensuring that they are reflected across the authority's overall governance structures.



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CIPFA registered with the Charity Commissioners of England and Wales No 231060



Addendum, covering the annual review of governance and the annual governance statement

Approved by
Public Financial Management Board, CIPFA
Policy Board, Solace

May 2025

For application to annual governance statements for 2025/26 onwards



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Published by:

CIPFA \ The Chartered Institute of Public Finance and Accountancy

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Local authorities are accountable to the public and other stakeholders for ensuring they have a sound system of governance. They are required to prepare and publish an annual governance statement (AGS) in accordance with statutory regulations of the appropriate national government¹.

The statement should be consistent with the principles of good governance set out in Delivering Good Governance in Local Government: Framework (Governance Framework) (CIPFA and Solace, 2016). The statement includes the result of a review of the effectiveness of its system of internal control and provides assurance on whether the authority's governance arrangements are fit for purpose.

This addendum is the first update of the guidance since 2016 and replaces chapter 7 of the Framework publication. The 2016 publication and the seven principles of good governance remain unchanged.

Authorities should ensure that the AGS for 2025/26 onwards complies with this guidance, and they are encouraged to consider it for 2024/25.

The guidance applies to all principal local government bodies², including:

- county councils
- district, borough and city councils
- metropolitan and unitary councils
- the Greater London Authority and functional bodies
- combined authorities, combined county authorities, city regions, devolved structures
- Scottish councils and other local government bodies under section 106 of the Local Government (Scotland) Act 1973
- the City of London Corporation
- fire authorities in England and Wales
- police and crime commissioners, and police, fire and crime commissioners
- chief constables in England and Wales
- national park authorities
- passenger transport executives
- corporate joint committees (Wales)

1. The Accounts and Audit Regulations 2015, the Local Government (Accounts and Audit) Regulations (Northern Ireland) 2015, the Local Authority Accounts (Scotland) Regulations 2014 and the Accounts and Audit (Wales) Regulations 2014.

2. The appropriate regulations define the relevant authorities.

The addendum is important for elected representatives, senior management and all those involved in the annual review of governance and preparation of an annual governance statement (AGS). It is also relevant for the internal auditors and external auditors of the authority.

Key roles	Responsibilities
Elected representatives, including councillors and fire authority members Police and crime commissioners (PCC) Chief constables	Overall responsibility for the governance of the local authority and for the fulfilment of accountabilities to the public and stakeholders. Approval of the governance arrangements of the authority, either directly or through delegations, including the Constitution and local code of governance. In a local authority the AGS must be approved by a body charged with governance (full council) or delegated to an appropriate committee, such as an audit committee. The AGS must then be signed by a leading member, alongside the chief executive. (In Scotland the leader of the council must sign the AGS.) In policing, the appropriate corporation sole (PCC and chief constable) must approve and sign the AGS. Following publication, elected representatives have oversight of and accountability for agreed actions to improve governance.
Chief executive (head of paid service), chief financial officer (section 151 or section 95, section 112 (fire) or section 73 officer (combined authority) as appropriate) and monitoring officer	Statutory officers with specific governance responsibilities. Typically, the annual review and preparation of the AGS is overseen by one of them. The chief executive must sign the AGS.
Other senior management	Responsible with the statutory officers to put in place the appropriate arrangements for governance and providing assurance on its effectiveness in their service areas.
Other officers with governance roles	Co-ordination of the annual review and drafting of the AGS in support of the statutory officers and other governance leadership responsibilities.
Head of internal audit	Provides an annual conclusion on governance, risk management and internal control as part of internal audit standards, which informs the review. Provides additional assurance to senior management and elected representatives on the adequacy of the review of effectiveness. To avoid impairments to professional independence, the Head of Internal Audit should not draft the AGS. Where the HIA drafts the AGS, this should be identified as a role beyond internal auditing. Under auditing standards, it must be included in the audit charter and safeguards agreed, such as alternative processes to gain assurance.

The last few years have tested the governance of many authorities. Pressures on financial resources, innovative approaches to the delivery of services and increased commercialisation, as well as the COVID-19 pandemic, have meant those charged with governance and leadership teams have had to make difficult decisions. The quality of governance arrangements is of paramount importance to enable authorities to make decisions with high-quality information, and with a good understanding of risk. Robust and trusted decisions are built from engagement with communities and stakeholders and with a focus on the public interest. In addition, they need confidence that their governance supports the effective implementation of those decisions, and that they have sufficient assurance to inform their understanding. Ensuring adequate capacity, capability and leadership are fundamental, together with a focus on longer-term planning rather than short-term fixes. In short, all seven principles of the Governance Framework must be fit-for-purpose.

Delivering Good Governance in Local Government (CIPFA and Solace, 2016)



Unfortunately, governance has not been fit for purpose in all authorities. The governance reviews following Section 114 reports and reports in the public interest, or other interventions, have highlighted governance weaknesses as well financial concerns. Although not present in every case, the following have been noted:

- a culture that allows for widespread failure to follow due process, the constitution, and codes of conduct,
- leadership that has lost sight of an authority's role and function as a leader of place and provider or enabler of services,
- poor understanding of risk or inadequate management of risks,
- weaknesses in internal controls,
- weak oversight and challenge from those charged with governance,
- dysfunctional relationships between senior officers and members,
- reduced capacity and/or capability in critical areas,
- poor data quality or flawed information used in decision making,
- limited oversight of arm's length arrangements such as trading companies and joint ventures through a failure to put in place appropriate governance, risk and control arrangements,
- a lack of self-assessment and commitment to continuous improvement,
- a lack of transparency and/or openness to external challenge.

Some authorities have not demonstrated an awareness of where their governance is not fit for purpose. When authorities are unable or unwilling to recognise and acknowledge weaknesses, accountability to the public is not fulfilled. Some authorities have failed to take the early action that might have minimised or avoided more serious service or financial problems.

It is in this context that this update to the Delivering Good Governance in Local Government: Framework (CIPFA and Solace) should be adopted. It provides the opportunity for all those with a responsibility for good governance to reconnect with the principles they and their organisation should be striving to meet. Preparing an AGS is an opportunity to undertake a rigorous annual assessment of governance and consider whether it truly is fit for purpose. The review should take into account not just current demands but also anticipated challenges. The unexpected can and will happen, and authorities cannot be ready to meet every eventuality, but each organisation should have sufficient resilience to flex and adapt.

In the years ahead authorities must continue to meet significant challenges, for example:

- service and financial pressures in areas such as social care and housing,
- economic events impacting on funding and income generation,
- new legislation,
- devolution or structural change, including local government reorganisation,
- climate change and net zero,
- use of artificial intelligence in the authority's systems and processes.

Meeting these challenges is necessary to maintain the trust of the public in the authority. This means local authorities must be resilient and sustainable in their governance.

THE REVIEW OF GOVERNANCE

Authorities should review the effectiveness of their governance each year, to fulfil the requirements of both the regulations applicable to their authority and the Code of Practice on Local Authority Accounting in the United Kingdom.

The benchmark against which the review should be undertaken is the seven principles of good governance, as set out in the Governance Framework.

This guidance covers the following:

- description of an authority's governance arrangements in the local code of governance,
- conducting the annual review,
- content of the annual governance statement,
- publication and accountability.

CIPFA and Solace recommend that authorities adopt a local code of governance which sets out their governance arrangements, showing how governance principles are put into practice at their authority. The code should:

- clearly align to the principles in Delivering Good Governance in Local Government: Framework,
- take account of the best value statutory guidance or other statutory requirements of the appropriate national government³,
- be up-to-date and reviewed regularly to ensure it takes account of changes in the authority and its environment,
- identify what arrangements the authority has put in place to achieve each principle, so it is specific to the authority,
- include values and behaviours as well as processes, as these influence the authority's culture,
- include how the code is reviewed and updated.

Where an authority does not have a local code, the annual review will need to first identify the arrangements it has put in place to meet the governance principles. This information should be to hand from earlier annual reviews, even when a local code has not been formally approved.

The local code, or other description of governance arrangements, should include details of your arrangements that address areas that are core to good governance. These arrangements are essential for a corporate culture focused on achieving objectives, managing risk and fulfilling stewardship and statutory responsibilities, including best value. A more comprehensive code will provide stronger evidence of your authority's alignment to good governance principles, and CIPFA and Solace would recommend this approach. The annual governance statement will need to provide assurance that the following core arrangements are in place and operating effectively.

3. For England: [Best value standards and intervention: a statutory guide for best value authorities](#) (May 2024) For Scotland: [Best Value: revised statutory guidance 2020](#) (March 2020) For Wales: Part 6 [Local Government and Elections \(Wales\) Act 2021](#) and part 2 s13 [Well-being of Future Generations \(Wales\) Act 2015](#) For Northern Ireland [Part 12 Local Government Act \(Northern Ireland\) 2014 Performance Improvement](#).

Principle A: Behaving with integrity, demonstrating strong commitment to ethical values, and respecting the rule of law

- Arrangements to ensure ethical conduct for both members and officers, including codes of conduct, management of conflicts of interest, declarations of gift and hospitality, training and evaluation. Where appropriate, include how codes of ethics for the sector are implemented and supported. Sector requirements include the Code of Practice for Ethical Policing and the Police Code of Ethics, and the Core Code of Ethics for Fire and Rescue Services – England.
- Arrangements covering the ethical behaviour of external service providers.
- Arrangements to support whistleblowing.
- How compliance with laws and regulations and internal policies and procedures is ensured and arrangements to ensure expenditure is lawful.
- How breaches of ethical arrangements, laws, regulations and procedures are addressed and learning adopted.
- How all those in governance roles and senior managers demonstrate their leadership of an ethical culture.

Principle B: Ensuring openness and comprehensive stakeholder engagement

- How the authority ensures that decisions are made in the public interest and the rationale for decisions is recorded.
- How the authority achieves expected standards of openness and transparency, including a culture of internal challenge and self-assessment.
- The arrangements for consultation and engagement with citizens, service users and stakeholders and how these inform decision-making.
- The ways in which the authority communicates with the community and stakeholders.

Principle C: Defining outcomes in terms of sustainable economic, social and environmental benefits

- How the authority establishes its vision, target outcomes, and associated long-term plans to deliver sustainable outcomes.
- Its decision-making arrangements and how it ensures consideration and demonstration of value for money and best value.
- Arrangements to achieve fair access to services.
- The authority's strategic approach to commissioning across the entity and its partnerships and collaborations.

Principle D: Determining the interventions necessary to optimise the achievement of the intended outcomes

- The arrangements for medium and short-term service planning, supported by projects and programmes, to ensure alignment to the vision and objectives.
- How budgets and resource strategies align to the delivery of objectives.
- How the authority uses self-assessment and continuous improvement to achieve value for money.

- The authority's performance management arrangements to ensure continued alignment to its objectives.
- Arrangements for the achievement of social value in commissioning, procurement and contracting.

Principle E: Developing the entity's capacity, including the capability of its leadership and the individuals within it

- Member and officer protocols and clarity over roles and responsibilities, including schemes of delegation.
- Application of the [Code of Practice on Good Governance for Local Authority Statutory Officers](#).
- How financial management roles align with:
 - CIPFA [Financial Management Code](#) (FM Code)
 - [CIPFA Statement on the Role of the Chief Financial Officer in Local Government](#) (2015), [The Role of the CFO in Combined Authorities](#) (2024) or [The Role of Chief Financial Officers in Policing](#) (2021), as appropriate.
- The arrangements in place for the discharge of the monitoring officer function.
- The arrangements in place for the discharge of the head of paid service function.
- Induction and development programmes to meet the needs of members and senior officers in relation to their strategic roles.
- Workforce planning and organisational development.
- Arrangements for learning and development, and health and wellbeing.

Principle F: Managing risks and performance through robust internal control and strong public financial management

- Risk management policy, strategy and arrangements for review.
- How financial management arrangements align with the Financial Management Code.
- Internal control arrangements including:
 - Cyber, AI and information security arrangements
 - information governance
 - asset management
 - procurement and contract management.
- Assurance frameworks across the three lines. The framework should set out how the leadership team obtains its assurance, including from management, risk and compliance arrangements, and internal audit.
- Internal audit arrangements in conformance with the Global Internal Audit Standards in the UK public sector([GIAS](#) and the [Application Note](#)) and the [CIPFA Code of Practice on the Governance of Internal Audit](#).
- Arrangements for formal overview and scrutiny (as applicable).
- Facilitation of internal and external challenge.

- Undertaking the core functions of an audit committee, as identified in [Audit Committees: Practical Guidance for Local Authorities and Police](#) (CIPFA, 2022).
- Counter fraud and anti-corruption developed and maintained in accordance with the [Code of Practice on Managing the Risk of Fraud and Corruption](#) (CIPFA, 2014).
- Governance, risk and control arrangements across companies, partnerships, collaborations and arm's length bodies.
- Internal governance and assurance standard (fire services only).

Principle G: Implementing good practices in transparency, reporting and audit to deliver effective accountability

- Arrangements for the timely response and support to the work of external audit, internal audit and other inspection or regulatory action.
- Approach to welcoming external challenge and implementing recommendations.
- How learning and improvement are actioned.
- How transparency and accountability are maintained across collaborations and arm's length bodies, such as trading companies and joint ventures.
- Accountability to the public and stakeholders is supported by clear assurance and ensures core areas are covered to enable better accountability in practice.

The local code should be a public document or webpage, easily identifiable on the authority's website. It should be a useful reference for both officers, elected representatives and the public to understand how governance works and the authority's commitment to good governance.

Within the local government sector there will be aspects specific to some bodies but not all, for example the operation of the Force Management Statement and the Code of Ethics in police bodies.

While the preparation of a local code is strongly recommended, it is not a requirement of the regulations. Where an authority does not publish a local code, it will need to explain the elements set out above in its AGS.

The annual review is a requirement of the regulations of the national governments. It is an opportunity to take stock of governance, ensuring that the published AGS and associated improvement actions are based on robust evidence. Authorities should establish processes to gather assurance throughout the year, and not only at the year-end.

Scope of the annual review

- Authorities should assess how effectively their arrangements meet the principles of good governance **in practice**. The identification of those arrangements in the local code facilitates the review.
- The review should consider if and how its governance arrangements support the achievement of the authority's purpose and objectives – its outcomes.
- The review should consider whether the authority's governance arrangements, including all the core arrangements listed above, are operating effectively. It should identify any areas for improvement.

Gaining assurance for the annual review

- Authorities should approach the review in a way that will provide the required assurance in an efficient and effective manner. Each authority will have existing sources of assurance that make up its assurance framework to support the review:
 - the head of internal audit's annual conclusion on governance, risk management and internal control,
 - assurances from the statutory officers and other senior managers,
 - assurance from members, for example annual reports from committee chairs,
 - performance and data reports that demonstrate how well the authority has met its objectives and managed its resources; benchmarking data may help the assessment,
 - evidence of the management of risks from the risk management framework,
 - accreditations or independent assessments against control frameworks or standards such as ISO27001, and the NCSC Cyber Assessment Framework,
 - self-assessments against best practice guidance that underpin the core arrangements, such as the Code of Practice on Good Governance for Local Authority Statutory Officers or the Financial Management Code,
 - best value self-assessments or performance review assessments (using guidance applicable for the authority),
 - the findings of external assessments, from external audit, inspectorates, other regulators, peer reviews and any other commissioned reviews,
 - outcomes from relevant stakeholder engagement exercises,
 - force management statements (police forces only),
 - annual statement of assurance and self-assessment against the Internal Governance and Assurance Standard (fire services in England only).
- The review should include a range of perspectives. The authority's assurance framework should provide different sources of assurance across the three lines: management (first line), risk and compliance functions (second line) and internal audit (third line). It should also engage both senior managers and elected members to ensure wider engagement and ownership.
- Where the assurance framework does not provide sufficient assurance across all the governance principles, apply a risk-based approach to target where further work is required.

The review should consider the financial year to which the AGS relates. The regulations require the AGS to follow the same timetable as the financial statements and it relates to the same financial year. As well as looking backwards, the review must also look ahead to the risks and challenges the authority is facing.

Evaluating the results of the annual review

- The review should be an open and honest assessment. By testing and challenging its own governance arrangements, the authority will gain more robust assurance and add value to the accountability it can deliver. For example:
 - checking consistency of understanding and interpretations across the authority,
 - testing whether assumptions are valid,
 - identifying gaps in the assurance framework,

- stress testing/scenario planning for anticipated risks, and
- building understanding of governance.
- As well as considering the financial year to which the AGS relates, the evaluation must also look ahead. Effectiveness means not only that the arrangements were sufficient to meet the challenges of that year, but also that the authority has built in sufficient governance resilience for the current and future years.
- Many authorities have found it helpful to have a governance group comprising key officers with key roles such as the monitoring officer, section 151 officer, head of internal audit, and lead officers for risk management lead and performance. The review should assess the evidence of effectiveness and identify weaknesses or other areas where further improvements can be made. A corporate review and ownership will support a robust conclusion on whether arrangements are fit for purpose.
- The results of the assessment should be reviewed by the leadership team and the audit committee before the final approval in accordance with the requirements of the appropriate regulations. When reviewing the AGS, the audit committee should consider the robustness of the underlying evaluation.

To be meaningful as an accountability report, the AGS should be both deep, being based on a comprehensive view of governance, and also brief to communicate the results simply and clearly. Its content must be drafted with the end users in mind, including councillors and the public. The question *who is this for?* should guide officers to ensure accessible and easily understandable language is used.

The AGS should not include extensive description of the different aspects of the authority's governance arrangements, as these should normally be available in the local code. Where the authority has not developed a local code, it will need to set out how its core arrangements meet the principles of good governance in the AGS.

The AGS should be an honest reflection of the effectiveness of the authority's governance, based on a robust, evidenced review. It should be able to provide reasonable assurance on its effectiveness. Identifying areas for improvement and taking the actions needed are signs of a healthy approach to governance. An absence of improvement actions may be a product of a weak or superficial review.

There is no standard template for the AGS as it should derive from the results of assessment. It should contain the following elements, but presentation is flexible.

This is not a rigid template and authorities can present the specified content in the way they find most suitable.

Executive summary

(A summary is an effective tool to improve communication of key messages and aid accountability.)

The summary should pull out the key messages of the AGS.

Summary of key conclusions.

An overall opinion on whether governance is fit for purpose. An authority's governance arrangements are fit for purpose when its governance arrangements, including core areas identified in this guidance, are operating effectively, and support the achievement of the authority's outcomes.

Confirm whether the overall operation of governance arrangements was fit for purpose in the year of review.

Governance outlook and commitment to ensure that governance will be fit for purpose.

Significant changes or areas of improvement the authority will be actioning in the forthcoming year.

Signatures *(as required by the regulations)*

Date of approval

Our assessment of effectiveness

A statement of how the review of effectiveness was conducted and the results, including reference to:

- whether arrangements are adequately aligned to support the authority's delivery of planned outcomes and meet its responsibilities for value for money/best value,
 - whether arrangements are in place and operating effectively, to support and deliver each of the principles of good governance,
 - explicit assurance that each of the core arrangements for the local code are operating effectively *(they do not need to be individually listed where they are in place and effective if they are clearly identifiable in a publicly available local code)*.
 - where any of the core arrangements are not in place, explain how your alternative arrangements achieve the same goal or include them as an area for improvement,
 - where any core or alternative arrangements are not operating effectively, include them as an area for improvement,
 - the results of external assurance providers and internal audit's annual conclusion,
 - an explanation of how the overall opinion has been agreed.
-

Where our governance needs to improve

Identify those areas of governance requiring improvement and how these are being addressed. Identify:

- where there are significant gaps in governance arrangements such as where core arrangements are not operating effectively,
 - significant governance failures that occurred during the year and action taken,
 - areas where governance arrangements could be easier to understand and comply with, if they are barriers to achieving the principles of good governance,
 - action plans to address these in the coming year and beyond where necessary. The AGS action plan should be meaningful but brief. It would be expected that more detailed implementation plans will be used to manage and monitor progress. Include a reference to how the action plans will be monitored.
-

How we have improved our governance arrangements in *(insert the year)*

- How the governance issues identified in the previous year's statement have been addressed and whether further work is required.
- Any other significant steps to improve governance taken in the year.

(Note you may want to acknowledge that some improvements extend beyond the year covered by the AGS.)

Forward look on governance

An opportunity to identify where governance needs to change or develop to meet the future needs of the authority. Possible examples could be:

- establishment of new collaborative arrangements,
 - new legislation requiring changes to governance structures, such as local government reorganisation,
 - significant risks for the authority that will change or challenge governance in future years. (Risks should be linked to governance. There will be other risks, some of which may already be set out in the narrative report already.) This is not intended to be a complete list of all the risks on the authority's risk register.
-

Before final approval and publication, the AGS will be reviewed by the authority's external auditor in accordance with the Code of Audit Practice issued by the appropriate national audit body. The auditor will consider if the AGS has been prepared in accordance with the Governance Framework and is consistent with the auditor's knowledge of the authority.

The annual governance statement should be approved at a meeting of the authority or delegated committee (in Scotland, the authority or a committee with a remit including audit or governance), as required by regulations.

In policing, approval will be from the police and crime commissioner and chief constable as corporations sole.

Where approval is delegated to a committee, such as the audit committee, steps should still be taken to engage with the full authority, as the body ultimately charged with governance. For example, the AGS should be shared with all elected members together with a report from the audit committee on their review. This will help all elected representatives to have sight of the conclusions and agreed actions.

The timetable for publication is set out in regulations, with deadlines amended from time to time. The timetable is the same as that of the financial statements and in Scotland the AGS is required to be a component of the annual accounts. Where it is necessary to publish the financial statements before the completion of the audit, (for example under the backstop arrangements in England) the AGS should still be published on the website with an explanatory note, in accordance with the dates specified by regulations.

The AGS supports the authority's accountability to the public, stakeholders and government. Easy access and communication of its purpose and role are important elements of accountability. Where the AGS is published within the financial statements, further steps should be taken to improve access. Suggested examples of good practice:

- Creating a webpage on governance with plain English explanations of what governance is and why it is important.
- Including the AGS on a governance webpage, alongside other materials such as a local code.
- Use of diagrams or other design features to improve understanding.

- Ensuring the AGS is identifiable on the authority's website. For example, would a search for 'governance' or 'annual governance statement' on the website bring up the latest AGS?
- There should remain a clear link back to the financial statements to ensure the regulations are satisfied.

As well as an important external accountability report, the AGS is informative for staff and elected members. Their actions all contribute to the governance culture of the authority and are key to implementing robust arrangements and improvements. The authority should plan internal communications to share key messages and show staff and members how they contribute to the implementation of the action plan and support good governance.

MEMBERS OF THE REFERENCE GROUP

Chair	Paul Hanson, former Chief Executive North Tyneside MBC
Secretariat	
CIPFA	Diana Melville, Governance Advisor
	Naomi Whitmore, Internal Audit Advisor
Solace	Alex Thomson, Director of Policy and Business Partners
	David Paine, Senior Policy Officer
Observers	
MHCLG	Ben Grubb
Scottish Government	Elanor Davies
Welsh Government	Emma Smith
Northern Ireland	Jeff Glass
Stakeholders	
Local Government Association (England)	Heather Wills, Assistant Director Programme (Corporate)
National audit bodies	Paul Mayers, National Audit Office (Observer) Colette Kane, Northern Ireland Audit Office Kate Havard, Audit Wales Paul O'Brien, Audit Scotland
Police representative (England and Wales)	James Atkinson, Policy and Partnership Manager, Association of Police and Crime Commissioners
Lawyers in Local Government (England and Wales)	Helen Bradley, Director of Law and Governance, Durham County Council
Centre for Governance and Scrutiny	Ed Hammond, Deputy Chief Executive
Practitioners	
	Rob Winter, Member of CIPFA Governance and Assurance Forum, formerly Barnsley MBC
	Laura Williams, Member of CIPFA Governance and Assurance Forum, Head of Internal Audit, Liverpool City Region Combined Authority
	Marion Pryor, Head of Audit and Risk, Isle of Anglesey County Council
	Allison Mitchell, Head of Governance, North Tyneside
	Paul Stone, Director of Resources, North West Leicestershire DC
	Kelvin Menon, CFO, Surrey Police and Crime Commissioner's Office
	Duncan Savage, Assistant Director, East Sussex Fire and Rescue Service
	Emma Foy, former Director of Corporate Services, West Lindsey
	Hannah Doney, CFO, Watford Borough Council

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Item 15a

Climate Action Task and Finish Group – Notes 13th November 2025

NOTES FROM CLIMATE ACTION TASK & FINISH GROUP

Meeting: Thursday 13th November 2025 at the Guildhall, 11.30am

Attendees: Cllrs Lyle, and Maxwell Muller (Chair)

Deputy Town Clerk, Kate Adams

Apologies: No apologies received

Absent: Cllrs Cowell, Parry and Tapley

- **Minutes (2nd October 2025) and Recommendations to P&F** noted.
- **Shropshire Climate Action newsletter**
Noted contents of the latest newsletters
- **Local Nature Recovery Strategy (LNRS)**
Considered the summary notes provided and concluded with the following actions:
 - Reduce the adverse impact of light pollution on wildlife
#nurture the night shift – to support nocturnal night life.
To look at taking part in the campaign and research ‘light pollution rangers’ who can advise businesses/premises on the most eco friendly light colours and strengths etc.
 - Increase canopy cover in the built environment – to look at this in greater detail next meeting:
www.tdag.org.uk/first-steps-in-urban-tree-canopy-cover.html
www.forestresearch.gov.uk/research/i-tree-eco/uk-urban-canopy-cover
 - Water, wetlands and mosaic habitats
Keep a record of flooding events at Linney riverside park, could a drainage/bogged area (fenced off) be created at Linney involving the use of leaky dams? To be discussed at next meeting.
 - Could we look at a deal with a local company providing a discounted purchase price for water butts – to encourage resident water saving?
- **Climate Action Plan and calendar of environmental campaigns/awareness days for public education/engagement**
To accept the updates to the Climate Action Plan and agree that the calendar is a great starting point for public education and engagement.

To accept the following actions from the Climate Action Plan:

Action 4. We will aim to include Climate Emergency reference in all new contract specifications and Invitations to Tender and we will include these references in the evaluation process.

To introduce the following statement for prospective contractors when obtaining quotes:

It is important to Ludlow Town Council that prospective contractors consider the following aspects of their work to be efficient and less harmful to the environment.

- *Conserve natural resources through careful planning, and efficient use of resources, water and raw materials.*
- *Minimisation of waste through source reduction, reuse and recycling.*
- *Handling and disposal of waste through safe and environmentally sustainable methods.*

Action 11. We will aim to ensure all contractors have a 'Zero to Landfill' policy which is regularly reviewed and updated.

To introduce the following statement for prospective contractors when obtaining quotes:

We would like contractors to have an aspirational 'zero to landfill' policy to ensure as much waste as possible is diverted from landfill. With the ultimate goal of achieving Zero Waste to Landfill through prevention, reduction, reuse and recycling.

- **Recommendations to Policy & Finance meeting on 24th November 2025: Climate Action Plan**

To note the updates on the Climate Action Plan as below.

To consider the following statement to be forwarded to prospective contractors when obtaining quotes:

It is important to Ludlow Town Council that prospective contractors consider the following aspects of their work to be efficient and less harmful to the environment.

- *Conserve natural resources through careful planning, and efficient use of resources, water and raw materials.*
- *Minimisation of waste through source reduction, reuse and recycling.*
- *Handling and disposal of waste through safe and environmentally sustainable methods.*

We would like contractors to have an aspirational 'zero to landfill' policy to ensure as much waste as possible is diverted from landfill. With the ultimate goal of achieving Zero Waste to Landfill through prevention, reduction, reuse and recycling.

- **Next meeting dates:**

Thursday 29th January 10am.

Item 15b

Climate Action Task and Finish Group – Recommendations 13th November 2025



RECOMMENDATIONS FROM THE CLIMATE ACTION TASK AND FINISH GROUP 13TH NOVEMBER 2025 TO POLICY AND FINANCE COMMITTEE 24TH NOVEMBER 2025

Climate Action Plan (CAP)

Changes/actions relating to the CAP.

To consider the following statement to be forwarded to prospective contractors when obtaining quotes:

It is important to Ludlow Town Council that prospective contractors consider the following aspects of their work to be efficient and less harmful to the environment.

- *Conserve natural resources through careful planning, and efficient use of resources, water and raw materials.*
- *Minimisation of waste through source reduction, reuse and recycling.*
- *Handling and disposal of waste through safe and environmentally sustainable methods.*

We would like contractors to have an aspirational 'zero to landfill' policy to ensure as much waste as possible is diverted from landfill. With the ultimate goal of achieving Zero Waste to Landfill through prevention, reduction, reuse and recycling.

Item 16a

Planting Task and Finish Group – Notes 30th October 2025

NOTES FROM LTC PLANTING TASK AND FINISH GROUP

Meeting: Thursday 30th October 2025 at the Guildhall, 10am

Attendees: Councillors Cowell, Lyle and Taylor

Deputy Town Clerk, Kate Adams

Phil Weaver (Epic Cycles & Chamber of Trade), Geraldine Ward
(Flower Box Action Group)

Apologies: Jill Rose and Mark Hilton

- **Chair of the Working Group:** Cllr Taylor accepted the role of Chair.

- **Consider Urban Planters Experiment document**

The document was considered however it's felt we are not at the stage to try anything new now. We need to get our locations rationalised and the planting up to a good/maintained standard before we look at this so that we have a solid foundation to start from.

- **Consider and suggest improvements to the Planting and Maintenance Plan**

Suggestions for Old St flower beds:

- They should be kept super low maintenance with plants such as lavender and hebes. Remove everything in there currently, and the wooden planters, to start from scratch.
- It was felt that community groups, such as Scouts, would be better placed to assist with the planting of planters rather than beds.

Trial of plastic planters on A49 slip road:

- Remove the wooden planter on the left hand side when approaching Ludlow as it is hidden partially by grass and hedge. Replace the planter on the right hand side with a plastic planter (in black) as a trial.
- It is important that the planters help retain moisture and are made from recycled materials.

Numbering of planters:

- Good idea to number the planters using tags. These should be ordered. [100 Engraved Numbered Acrylic Discs, 3cm Tags - Etsy UK](#)
£31.64 total including delivery and tax

Sponsorship categories:

- Just a single category as not a finance raiser – planting, painting and maintenance to be undertaken by LTC (unless otherwise declared), watering to be undertaken by the business. Suggested cost of £25.00.
- Need a cost for plaque.
- Sponsorship should cover costs but not provide any income.
- Will give businesses a sense of ownership and pride.

- Send examples of plaque costs to Phil and Matt for chamber consideration.

Resident watering agreements:

- Use the Flower Box Action Group to drum up interest/support.
- We have to be realistic about responses/ limitations in practise as people don't always follow through on their commitment.
- Sue and Geraldine previously drafted a pledge to give to residents. Could this be used as a starting point?
- Look at where boxes are wanted/needed before offering boxes to other locations – planters need to be rationalised.

Community competitions:

- Not appropriate for this group.

Cordalene removal for winter:

- Not an ideal plant moving forward.
- Could they be removed from planters and given away as free plants to residents (will need overwintering in shelter). Tackle it as ongoing.

Winter primulas and pansies for market area and Event Square:

- Just a targeted planting area this year – LTC managed boxes only

- **Consider previous meeting minutes and updates on actions from the last meeting**

Inventory/ Rationalisation of planters

- Essential locations for planters: town entry points such as Sheet Road, Henley Road, Bromfield Road, Tower Street, Bull Ring, King Street, Market area, Castle Gardens, by Buttercross.
- Broad Street, Mill Street, Corve Street (main parking areas)
- Other areas are desirable (adjacent to the core area)
- Watering is an important factor in rationalisation of planters – without watering being available in the area there is no point in planting. LTC will water in Mill Street, market area, Event Square and Castle Gardens
- Social media promo/posters etc.

Boxes to be removed:

- Remove planters adjacent to flower beds at the bottom of Old Street.
- Remove all boxes on the bottom right hand side of Old Street – residents not interested in helping.
- Removal of boxes on **Old Street**: 2 by Chapel House, by numbers 60,62,64,66,70,80,87,84,88,92,98,100,106,110, 114, 2 by corner of Temeside – **19 in total**

- Leaflet properties where planters are being removed to explain.
- Removal of some boxes on Corve Street (not looked after during the summer): 2 by corner of Linney, one by Myriad Organics, one by Eagle House – **4 in total**

Old Street flower beds:

- Poor soil so put down weed suppressing matting, plant 10/12 lavender plants throughout the matting, then cover with bark. Lavendar plants like dry soil and live around 10-15 years with only a twice yearly chop needed so little maintenance.
- Alternative plant would be a hebe.
- Volunteer (S E-T) to plant (Jan/Feb job) and care for the bed if LTC would supply the plants.

List of winter jobs for DLF/volunteers

- Refurb/ replace planters outside Bensons
- Remove planters as above from Old Street, Corve Street, outside 23 Broad Street, outside Lloyds Bank on Broad Street, both boxes on Bromfield Road slip road, two outside 12 Mill Street (check with resident) – **29 boxes in total**
- Replace right bench on Bromfield slip road with a new plastic planter.
- Unicorn Garden – remove self-set shrubs in planters.
- Replace one box ball shrub in a planter by the War Memorial

• **Points to be recommended to Policy & Finance Committee (24th November):**

- Purchase of a plastic planter in black to trial on Bromfield slip road at a cost of £399 + £72 delivery (from Amberol – self watering planter PRM-0P)
- Removal of 29 boxes from various locations in Ludlow (as detailed: 19 Old Street, 4 Corve Street, 2 Broad Street, 2 Bromfield slip road, two Mill Street). This is to remove boxes which are in poor condition, are not being maintained or that there are simply too many planters in a single location. Local residents will be notified of the changes.
- All plants that can be saved will be used in other LTC locations.
- Planters that can be salvaged will be repaired for use elsewhere and also made more 'sustainable' with liners etc.
- Purchase tags to number/identify remaining planters £31.64 (including delivery and tax)
- Agree with the suggestion of a single business sponsorship category that will be within the £20-£30 per annum cost bracket – no income for LTC, simply to cover costs of a plaque etc.
- Approve that cordaline plants are removed from planters and offered to local residents free of charge

- To approve the purchase of a box ball shrub
- To approve the purchase of 6 lavender plants, 6 hebe plants, weed suppressing matting and bark for the Old Street flower beds – work to be undertaken over winter.

Costs and budget codes to be included for the P & F agenda.

- **To be considered at the next meeting:**

- Making planters more sustainable.
- Publicity and press stuff
- Building new boxes – explore the use of men's shed
- Planting schemes of perennials and annuals

- **Next meeting dates:**

Thursday 11th December 10am at the Guildhall

Item 16b

Planting Task and Finish Group – Recommendations 30th October 2025



Recommendations from the Planting Task and Finish Group 30th October 2025 to Policy and Finance Committee 24th Nov 2025

Recommendations to Policy & Finance meeting on 24th November 2025:

- Purchase of a plastic planter in black to trial on Bromfield slip road at a cost of £399 + £72 delivery (from Amberol – self watering planter PRM-0P)
- Removal of 29 boxes from various locations in Ludlow (as detailed: 19 Old Street, 4 Corve Street, 2 Broad Street, 2 Bromfield slip road, two Mill Street). This is to remove boxes which are in poor condition, are not being maintained or that there are simply too many planters in a single location. Local residents will be notified of the changes.
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- Approve that cordaline plants are removed from planters and offered to local residents free of charge.
- To approve the purchase of a box ball shrub
- To approve the purchase of 6 lavender plants, 6 hebe plants, weed suppressing matting and bark for the Old Street flower beds – work to be undertaken over winter.

	Actual Last Year	Actual Year To Date	Current Annual Bud	Variance Annual Total	Committed Expenditure	Funds Available	% Spent	Transfer to/from EMR
<u>410 Amenities</u>								
4222 Maintenance	3,760	1,400	7,240	5,840	33	5,807	19.8%	
4303 Plants	839	2,322	5,000	2,678		2,678	46.4%	
4357 Pest Control	0	0	200	200		200	0.0%	
4400 Wheeler Rd Play Area Resurface	0	0	2,000	2,000		2,000	0.0%	
4401 Housman Cres Play Area Fencing	0	0	200	200		200	0.0%	
4402 Tree Survey & Works	1,450	3,071	2,000	(1,071)		(1,071)	153.6%	
Amenities :- Indirect Expenditure	<u>6,049</u>	<u>6,793</u>	<u>16,640</u>	<u>9,847</u>	<u>33</u>	<u>9,814</u>	<u>41.0%</u>	<u>0</u>
Net Expenditure	<u>(6,049)</u>	<u>(6,793)</u>	<u>(16,640)</u>	<u>(9,847)</u>				
6000 plus Transfer from EMR	(2,750)	0	0	0				
Movement to/(from) Gen Reserve	<u>(8,799)</u>	<u>(6,793)</u>	<u>(16,640)</u>	<u>(9,847)</u>				
Grand Totals:- Income	0	0	0	0			0.0%	
Expenditure	<u>6,049</u>	<u>6,793</u>	<u>16,640</u>	<u>9,847</u>	<u>33</u>	<u>9,814</u>	<u>41.0%</u>	
Net Income over Expenditure	<u>(6,049)</u>	<u>(6,793)</u>	<u>(16,640)</u>	<u>(9,847)</u>				
plus Transfer from EMR	(2,750)	0	0	0				
Movement to/(from) Gen Reserve	<u>(8,799)</u>	<u>(6,793)</u>	<u>(16,640)</u>	<u>(9,847)</u>				

Item 17

Budget Task and Finish Group – Notes 13th October 2025

Notes from Budget-Setting T&F Group Meeting

at The Guildhall, Mill Street Ludlow

on Monday 13th October 2025, at 9:30 am

Attended by: Cllrs Cowell, Hepworth, Lyle, Owen, Taylor (Chair), Scott-Bell and town clerk, Gina Wilding.

Apologies from: Cllrs Gill, and Ginger.

NOTES

Core Grant Applications: To seek the information indicated below from the applicants and make the recommendations listed below to FC.

Date received	Organisation	Amount Requested for 26-27	Provided financial docs	Reason for Grant	Information requested and Funding Recommendation
23/09/2025	South Shropshire Youth Forum	£2,000.00	Yes	For continuation of the Ludlow Garden Help Scheme - school summer holiday project 2026	Requested breakdown of project costs, and clarification of local people regarding numbers from Ludlow. No specific recommendation.
03/10/2025	Ludlow Town Band	£1,050.00	Yes	Hire of rehearsal space, PLI, uniforms for new members, sheet music	Recommend full amount: £1,050.00
06/10/2025	Ludlow Town FC	£4,000.00	Yes	Defray the cost of new goals already purchased	Suggest resubmission of an alternative proposal because retrospective funding is not permitted within the criteria.

08/10/2025	Ludlow Assembly Rooms	£5,000.00	Yes	1. to equip an existing space at Ludlow Assembly Rooms (LAR) as a computer gaming room for young people.	The grant conditions state that the maximum amount that any organisation may apply for is up to £5,000.00. In the light of this information, to request that LAR revisits its applications and revises them accordingly.
08/10/2025	Ludlow Assembly Rooms	£5,000.00	Yes	2. funding to support the planned 2026 Ludlow History Festival. This will be a week-long event in August 2026.	The grant conditions state that the maximum amount that any organisation may apply for is up to £5,000.00. In the light of this information, to request that LAR revisits its applications and revises them accordingly.
08/10/2025	Ludlow Assembly Rooms / VIC	£5,000.00	Yes	3. to support Ludlow's Visitor Information Centre (VIC) housed at Ludlow Assembly Rooms.	The grant conditions state that the maximum amount that any organisation may apply for is up to £5,000.00. In the light of this information, to request that LAR revisits its applications and revises them accordingly.

10/10/2025	Pentabus Theatre	£5,000.00	Yes	Funding to support the delivery of Pentabus Youth Theatre (PYT) during 2026/2027, based at Ludlow Assembly Rooms.	No further information required. The requested amount seems disproportionate to the funds held by the organisation and £2,500 grant is recommended.
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Draft Budget Consultation: To defer until more information is available from Shropshire Council and consider including clusters approach to delivering local community services. Supply link to the previous budget information.
<https://www.ludlow.gov.uk/news/budget-consultation-2025-26->

Matrix for EMR:

- To add a column to relate EMRs to the Project Action Plan.
- Update to highlight if any EMRs are redundant.
- Update to include existing quotes

Next meeting: 9:30 am on 4th November 2025. To review projects, Investments and Reserves.

Item 18a

Q2 Income and Expenditure Report

	Actual Last Year	Actual Year To Date	Current Annual Bud	Variance Annual Total	Committed Expenditure	Funds Available	% Spent	Transfer to/from EMR
101 General Administration								
1018 Street Trading Income	10,965	4,072	7,000	2,928			58.2%	
1171 Miscellaneous Income	209	0	0	0			0.0%	
1176 Precept Received	823,696	946,000	946,000	0			100.0%	
1187 Neighbourhood Fund	1,665	2,271	0	(2,271)			0.0%	2,271
1196 Interest Received	40,393	27,911	50,000	22,089			55.8%	
General Administration :- Income	<u>876,928</u>	<u>980,254</u>	<u>1,003,000</u>	<u>22,746</u>			<u>97.7%</u>	<u>2,271</u>
4009 Training/Manuals	5,907	3,343	7,000	3,657		3,657	47.8%	
4016 Annual Town Meeting	75	85	100	15		15	85.0%	
4017 Miscellaneous	154	66	150	84		84	43.8%	
4019 Mobile Phones	3,514	1,874	3,500	1,626		1,626	53.5%	
4021 Postage	273	179	250	71		71	71.6%	
4022 Stationery	917	454	900	446		446	50.5%	
4023 Subscriptions & Licence Fees	2,491	2,247	3,100	853		853	72.5%	
4024 ALC Subscription	2,386	2,644	2,600	(44)		(44)	101.7%	
4025 Paper Recycling & Confidential	258	96	250	154		154	38.4%	
4026 Office Equipment	1,546	623	2,000	1,377		1,377	31.1%	
4028 Liability Insurance	29,898	26,854	32,000	5,146		5,146	83.9%	
4029 Motor Insurance	2,852	3,153	3,000	(153)		(153)	105.1%	
4031 Web-site	1,433	1,090	1,500	410		410	72.7%	
4032 Newsletter	1,147	46	3,000	2,954		2,954	1.5%	
4034 Photocopier	5,869	1,383	2,500	1,117		1,117	55.3%	
4039 RBS Accounts Package	1,911	2,027	2,200	173		173	92.1%	
4053 HR and H&S Advice	7,237	5,243	5,500	257		257	95.3%	
4055 Professional Fees/Legal	19,747	23,142	45,000	21,858		21,858	51.4%	
4057 Audit Fees	3,676	1,247	3,800	2,553		2,553	32.8%	
4062 Climate Action	140	34	860	826		826	4.0%	
4070 Fire Safety	1,402	470	1,500	1,030		1,030	31.3%	
4072 Bus Shelter	0	8,387	21,200	12,813		12,813	39.6%	
4080 General Data Protection Reg	0	73	100	27		27	73.0%	
4102 Risk Assessment Software	0	0	700	700		700	0.0%	
4120 Council Minute Book Binding	0	0	2,660	2,660		2,660	0.0%	
4610 Loan Charges	1,990	995	2,000	1,005		1,005	49.7%	
General Administration :- Indirect Expenditure	<u>94,821</u>	<u>85,755</u>	<u>147,370</u>	<u>61,615</u>	<u>0</u>	<u>61,615</u>	<u>58.2%</u>	<u>0</u>
Net Income over Expenditure	<u>782,107</u>	<u>894,500</u>	<u>855,630</u>	<u>(38,870)</u>				
6000 plus Transfer from EMR	(150,000)	0	0	0				
6001 less Transfer to EMR	1,665	2,271	0	(2,271)				
Movement to/(from) Gen Reserve	<u>630,442</u>	<u>892,228</u>	<u>855,630</u>	<u>(36,598)</u>				

	Actual Last Year	Actual Year To Date	Current Annual Bud	Variance Annual Total	Committed Expenditure	Funds Available	% Spent	Transfer to/from EMR
102 Staff Costs								
4000 Salaries and Wages	593,430	308,233	636,915	328,682		328,682	48.4%	
4001 Actuarial Pension Fund Deficit	7,000	7,300	7,300	0		0	100.0%	
4002 CC Salaries and Wages	775	563	600	38		38	93.8%	
4005 Other Costs	646	274	500	226		226	54.8%	
4056 Payroll Processing Fees	1,800	0	2,200	2,200		2,200	0.0%	
4060 Recruitment Costs	1,742	600	1,000	400		400	60.0%	
4063 Staff Counselling	595	189	1,800	1,611		1,611	10.5%	
4064 Staff Medicals	166	95	900	805		805	10.6%	
Staff Costs :- Indirect Expenditure	606,153	317,253	651,215	333,962	0	333,962	48.7%	0
Net Expenditure	(606,153)	(317,253)	(651,215)	(333,962)				
103 Insurance Claims								
1070 Insurance Claims Received	14,421	250	0	(250)			0.0%	
Insurance Claims :- Income	14,421	250	0	(250)				0
4059 Insurance Claims Expenditure	15,237	0	0	0		0	0.0%	
Insurance Claims :- Indirect Expenditure	15,237	0	0	0	0	0		0
Net Income over Expenditure	(816)	250	0	(250)				
104 Transaction Fees								
4058 Bank Charges	1,487	660	1,700	1,040		1,040	38.9%	
4075 Linney Parking Meter Fees	1,725	1,214	2,200	986		986	55.2%	
4327 Pay Pal Commission Charge	488	273	600	327		327	45.5%	
4523 Buttercross Card Payment Fees	54	28	80	52		52	34.5%	
4524 Market Card Payment Fees	701	911	800	(111)		(111)	113.9%	
4525 Guildhall Card Payment Fees	0	13	0	(13)		(13)	0.0%	
Transaction Fees :- Indirect Expenditure	4,456	3,099	5,380	2,281	0	2,281	57.6%	0
Net Expenditure	(4,456)	(3,099)	(5,380)	(2,281)				
105 Civic Ceremonial								
1160 Civic Regalia Income	34	34	0	(34)			0.0%	
1166 Mayor's Charity	0	325	0	(325)			0.0%	
Civic Ceremonial :- Income	34	359	0	(359)				0
4040 Election Expenses	0	0	4,000	4,000		4,000	0.0%	
4200 Mayors Allowance	3,630	277	3,280	3,003		3,003	8.4%	
4201 Mayor Making	1,282	1,580	1,500	(80)		(80)	105.3%	
4202 Mayor's Sunday	161	195	300	105		105	64.9%	

	Actual Last Year	Actual Year To Date	Current Annual Bud	Variance Annual Total	Committed Expenditure	Funds Available	% Spent	Transfer to/from EMR
4206 Remembrance Sunday	498	0	800	800		800	0.0%	
4207 Seniors Party	1,481	100	1,200	1,100		1,100	8.3%	
4208 Childrens Xmas Grotto	307	0	350	350		350	0.0%	
4209 Civic Awards	88	135	150	15		15	90.0%	
4210 Civic Regalia	693	312	500	188		188	62.4%	
4211 Twinning	0	300	600	300		300	50.0%	
4212 Members Expenses	72	0	400	400		400	0.0%	
4213 Mayors Board Updating	834	834	1,000	166		166	83.4%	
4216 Mayors Charity Expenditure	0	800	0	(800)		(800)	0.0%	
Civic Ceremonial :- Indirect Expenditure	9,045	4,532	14,080	9,548	0	9,548	32.2%	0
Net Income over Expenditure	(9,012)	(4,174)	(14,080)	(9,906)				
6000 plus Transfer from EMR	(2,653)	0	0	0				
Movement to/(from) Gen Reserve	(11,665)	(4,174)	(14,080)	(9,906)				
<u>110 Community Grants</u>								
1123 Bathing Water Signage	431	0	0	0			0.0%	
1191 ShapingPlacesforHealthy Lives	15,000	0	0	0			0.0%	
Community Grants :- Income	15,431	0	0	0				0
4091 Shaping Places Project Expend	3,618	463	11,382	10,919		10,919	4.1%	
4109 Market Town Support Fund	1,483	0	0	0		0	0.0%	
4110 Visitor Information Services	0	5,000	5,000	0		0	100.0%	
4144 SYA	1,500	0	0	0		0	0.0%	
4150 Youth Forum	2,000	1,000	1,000	0		0	100.0%	
4156 Assembly Rooms	0	5,000	5,000	0		0	100.0%	
4159 Ludlow Piano Festival	500	750	750	0		0	100.0%	
4160 Project Support Grants	3,050	0	10,000	10,000		10,000	0.0%	
4161 Ludlow Town Band	1,050	1,050	1,050	0		0	100.0%	
4167 Ludlow Town Colts FootballClub	750	0	0	0		0	0.0%	
4183 Ludlow Hockey Club	0	1,000	1,000	0		0	100.0%	
Community Grants :- Indirect Expenditure	13,951	14,263	35,182	20,919	0	20,919	40.5%	0
Net Income over Expenditure	1,480	(14,263)	(35,182)	(20,919)				
<u>111 Community Projects</u>								
4158 Christmas Lights	12,013	8,780	20,000	11,220		11,220	43.9%	
4181 Town Plan	0	0	1,500	1,500		1,500	0.0%	
4182 Churchyard Wall Loan Expenditu	900	0	1,252	1,252		1,252	0.0%	
4604 CCTV	0	794	4,000	3,206		3,206	19.9%	
4705 Skatepark	3	0	1,000	1,000		1,000	0.0%	
Community Projects :- Indirect Expenditure	12,916	9,574	27,752	18,178	0	18,178	34.5%	0
Net Expenditure	(12,916)	(9,574)	(27,752)	(18,178)				
6000 plus Transfer from EMR	(4,997)	0	0	0				

	Actual Last Year	Actual Year To Date	Current Annual Bud	Variance Annual Total	Committed Expenditure	Funds Available	% Spent	Transfer to/from EMR
Movement to/(from) Gen Reserve	(17,913)	(9,574)	(27,752)	(18,178)				
<u>115 Property</u>								
1000 Buttercross Shop Rent	20,000	10,000	20,000	10,000			50.0%	
Property :- Income	20,000	10,000	20,000	10,000			50.0%	0
4222 Maintenance	167	1,417	2,000	583		583	70.9%	
Property :- Indirect Expenditure	167	1,417	2,000	583	0	583	70.9%	0
Net Income over Expenditure	19,833	8,583	18,000	9,417				
<u>117 Buttercross Market</u>								
4013 Electricity	385	167	400	233		233	41.8%	
Buttercross Market :- Indirect Expenditure	385	167	400	233	0	233	41.8%	0
Net Expenditure	(385)	(167)	(400)	(233)				
<u>119 Buttercross</u>								
1006 Buttercross Museum Tickets	6,395	3,022	6,000	2,978			50.4%	
1007 Buttercross Museum Donations	177	126	0	(126)			0.0%	
1008 Buttercross Museum Merchandise	1,361	714	1,200	486			59.5%	
Buttercross :- Income	7,934	3,863	7,200	3,337			53.7%	0
4011 Rates	5,763	2,546	5,500	2,954		2,954	46.3%	
4012 Water Rates	492	574	800	226		226	71.7%	
4013 Electricity	1,247	351	1,500	1,149		1,149	23.4%	
4014 Gas	1,193	204	1,400	1,196		1,196	14.6%	
4020 Telephone	0	0	700	700		700	0.0%	
4222 Maintenance	2,352	765	1,500	735		735	51.0%	
4232 Buttercross Museum Merchandise	690	124	700	576		576	17.7%	
4233 Buttercross Lift Contract	200	200	300	100		100	66.7%	
4234 Clock Service	359	0	350	350		350	0.0%	
4522 Buttercross Museum Events	133	33	150	117		117	21.7%	
Buttercross :- Indirect Expenditure	12,431	4,797	12,900	8,103	0	8,103	37.2%	0
Net Income over Expenditure	(4,497)	(934)	(5,700)	(4,766)				
<u>121 Guildhall</u>								
4011 Rates	10,354	6,214	10,500	4,286		4,286	59.2%	
4012 Water Rates	1,179	303	2,200	1,897		1,897	13.8%	
4013 Electricity	7,296	938	6,500	5,562		5,562	14.4%	
4020 Telephone	1,702	1,448	2,200	752		752	65.8%	

	Actual Last Year	Actual Year To Date	Current Annual Bud	Variance Annual Total	Committed Expenditure	Funds Available	% Spent	Transfer to/from EMR
4222 Maintenance	985	5,594	3,000	(2,594)		(2,594)	186.5%	
4604 CCTV	0	0	700	700		700	0.0%	
4612 IT Package & cloud backup	2,816	1,642	3,000	1,358		1,358	54.7%	
Guildhall :- Indirect Expenditure	24,334	16,139	28,100	11,961	0	11,961	57.4%	0
Net Expenditure	(24,334)	(16,139)	(28,100)	(11,961)				
6000 plus Transfer from EMR	(1,000)	0	0	0				
Movement to/(from) Gen Reserve	(25,334)	(16,139)	(28,100)	(11,961)				
201 Markets								
1003 Buttercross Market Rent	3,752	1,945	2,000	56			97.2%	
1020 Market Rents	139,081	81,552	130,000	48,448			62.7%	
1022 Electricity	3,707	2,180	3,500	1,320			62.3%	
1023 Specialist Markets	693	1,624	1,200	(424)			135.3%	
1025 Antique Market	9,906	5,588	10,200	4,612			54.8%	
1027 Food Festival	0	0	300	300			0.0%	
1028 Charity Market	0	273	0	(273)			0.0%	
1030 Produce Market (Ludlow 21)	8,840	5,304	8,500	3,196			62.4%	
1036 Tuesday Markets	2,374	0	0	0			0.0%	
1037 Sunday Markets	14,278	15,434	16,350	916			94.4%	
1038 Thursday Markets	8,802	8,535	10,000	1,465			85.3%	
1040 Parking Permits	14,189	8,874	0	(8,874)			0.0%	
1171 Miscellaneous Income	198	10	0	(10)			0.0%	
Markets :- Income	205,818	131,317	182,050	50,733			72.1%	0
4011 Rates	24,950	14,970	25,700	10,730		10,730	58.2%	
4012 Water Rates	685	294	1,000	706		706	29.4%	
4013 Electricity	3,880	1,323	4,000	2,677		2,677	33.1%	
4017 Miscellaneous	334	2	300	298		298	0.7%	
4018 Online Booking System	0	4,000	500	(3,500)		(3,500)	800.0%	1,250
4030 Advertsing	2,278	1,855	4,000	2,145		2,145	46.4%	
4036 MACCs Licence & Maintenance	788	851	850	(1)		(1)	100.1%	
4222 Maintenance	9,914	367	3,000	2,633		2,633	12.2%	
4223 Waste Management	8,718	5,921	10,500	4,579		4,579	56.4%	
4227 Parking Permits	14,120	6,787	0	(6,787)		(6,787)	0.0%	
Markets :- Indirect Expenditure	65,667	36,371	49,850	13,479	0	13,479	73.0%	1,250
Net Income over Expenditure	140,150	94,946	132,200	37,254				
6000 plus Transfer from EMR	(3,495)	1,250	0	(1,250)				
Movement to/(from) Gen Reserve	136,655	96,196	132,200	36,004				

		Actual Last Year	Actual Year To Date	Current Annual Bud	Variance Annual Total	Committed Expenditure	Funds Available	% Spent	Transfer to/from EMR
<u>202</u>	<u>Mayfair</u>								
1024	May Fair	9,388	9,632	9,632	0			100.0%	
	Mayfair :- Income	9,388	9,632	9,632	0			100.0%	0
4000	Salaries and Wages	2,815	2,196	0	(2,196)		(2,196)	0.0%	
4224	May Fair	5,427	5,145	9,632	4,487		4,487	53.4%	
	Mayfair :- Indirect Expenditure	8,242	7,341	9,632	2,291	0	2,291	76.2%	0
	Net Income over Expenditure	1,146	2,291	0	(2,291)				
6000	plus Transfer from EMR	(1,146)	0	0	0				
	Movement to/(from) Gen Reserve	(0)	2,291	0	(2,291)				
<u>205</u>	<u>Tourism</u>								
1056	Town Trails Income	210	70	0	(70)			0.0%	
	Tourism :- Income	210	70	0	(70)				0
	Net Income	210	70	0	(70)				
6001	less Transfer to EMR	210	0	0	0				
	Movement to/(from) Gen Reserve	0	70	0	(70)				
<u>301</u>	<u>Street Lighting</u>								
4222	Maintenance	6,309	0	4,000	4,000		4,000	0.0%	
	Street Lighting :- Indirect Expenditure	6,309	0	4,000	4,000	0	4,000		0
	Net Expenditure	(6,309)	0	(4,000)	(4,000)				
6000	plus Transfer from EMR	4,309	0	0	0				
	Movement to/(from) Gen Reserve	(2,000)	0	(4,000)	(4,000)				
<u>302</u>	<u>Street Furniture</u>								
1059	Street Furniture Income	1,327	3,737	0	(3,737)			0.0%	
	Street Furniture :- Income	1,327	3,737	0	(3,737)				0
4222	Maintenance	597	133	1,000	867		867	13.3%	
4354	Signage	503	25	250	225		225	10.1%	
4501	Street Furniture	1,117	1,608	1,500	(108)		(108)	107.2%	
	Street Furniture :- Indirect Expenditure	2,217	1,766	2,750	984	0	984	64.2%	0
	Net Income over Expenditure	(890)	1,971	(2,750)	(4,721)				
6000	plus Transfer from EMR	(786)	0	0	0				
6001	less Transfer to EMR	195	0	0	0				
	Movement to/(from) Gen Reserve	(1,871)	1,971	(2,750)	(4,721)				

	Actual Last Year	Actual Year To Date	Current Annual Bud	Variance Annual Total	Committed Expenditure	Funds Available	% Spent	Transfer to/from EMR
<u>303 Toilets</u>								
1174 Toilet Block Income	5,133	3,432	7,000	3,568			49.0%	
Toilets :- Income	5,133	3,432	7,000	3,568			49.0%	0
4222 Maintenance	2,650	1,560	5,000	3,440		3,440	31.2%	
4319 Consumable Goods	3,433	2,108	4,000	1,892		1,892	52.7%	
4356 Toilet Cleansing	1,415	1,178	2,000	822		822	58.9%	
Toilets :- Indirect Expenditure	7,498	4,846	11,000	6,154	0	6,154	44.1%	0
Net Income over Expenditure	(2,365)	(1,414)	(4,000)	(2,586)				
6000 plus Transfer from EMR	(2,350)	0	0	0				
Movement to/(from) Gen Reserve	(4,715)	(1,414)	(4,000)	(2,586)				
<u>304 Castle Street Toilets</u>								
4012 Water Rates	2,342	2,399	3,200	801		801	75.0%	
4013 Electricity	4,799	1,438	5,000	3,562		3,562	28.8%	
Castle Street Toilets :- Indirect Expenditure	7,141	3,838	8,200	4,362	0	4,362	46.8%	0
Net Expenditure	(7,141)	(3,838)	(8,200)	(4,362)				
<u>305 Smithfield Toilets</u>								
4012 Water Rates	1,679	433	1,800	1,367		1,367	24.1%	
4013 Electricity	890	438	1,000	562		562	43.8%	
4317 Water Management	356	178	400	222		222	44.5%	
Smithfield Toilets :- Indirect Expenditure	2,926	1,049	3,200	2,151	0	2,151	32.8%	0
Net Expenditure	(2,926)	(1,049)	(3,200)	(2,151)				
<u>306 Linney Toilets</u>								
4012 Water Rates	273	86	400	314		314	21.6%	
4013 Electricity	677	384	800	416		416	48.0%	
Linney Toilets :- Indirect Expenditure	950	470	1,200	730	0	730	39.2%	0
Net Expenditure	(950)	(470)	(1,200)	(730)				
<u>401 Cemetery</u>								
1050 Cemetery House Rent	6,000	3,000	6,000	3,000			50.0%	
1051 Cemetery Fees	22,031	7,321	15,000	7,679			48.8%	
1053 Grave Digging Fees	15,689	7,918	0	(7,918)			0.0%	
1171 Miscellaneous Income	49	0	0	0			0.0%	
Cemetery :- Income	43,769	18,239	21,000	2,761			86.9%	0

	Actual Last Year	Actual Year To Date	Current Annual Bud	Variance Annual Total	Committed Expenditure	Funds Available	% Spent	Transfer to/from EMR
4011 Rates	1,758	1,317	1,600	283		283	82.3%	
4012 Water Rates	347	134	500	366		366	26.8%	
4013 Electricity	329	128	500	372		372	25.6%	
4222 Maintenance	1,605	261	2,000	1,739		1,739	13.0%	
4230 Cemetery Registers Restoration	0	0	500	500		500	0.0%	
4306 Grave Digging	14,327	9,477	0	(9,477)		(9,477)	0.0%	
4510 Chapel Maintenance	32	0	1,000	1,000		1,000	0.0%	
4511 Cemetery House Maintenance	104	422	1,000	578		578	42.2%	
4515 Babies Memorial	0	0	200	200		200	0.0%	
4516 Cemetery Extension (Capital)	1,400	0	2,000	2,000		2,000	0.0%	
4606 Cemetery Paths (Capital Item)	1,650	0	2,000	2,000		2,000	0.0%	
Cemetery :- Indirect Expenditure	21,553	11,739	11,300	(439)	0	(439)	103.9%	0
Net Income over Expenditure	22,216	6,500	9,700	3,200				
6000 plus Transfer from EMR	(2,814)	0	0	0				
Movement to/(from) Gen Reserve	19,402	6,500	9,700	3,200				
<u>402 Ludlow in Bloom</u>								
4550 Ludlow in Bloom Expenditure	3,600	0	0	0		0	0.0%	
Ludlow in Bloom :- Indirect Expenditure	3,600	0	0	0	0	0		0
Net Expenditure	(3,600)	0	0	0				
<u>403 Allotments</u>								
1076 Allotments Rent	923	945	945	0			100.0%	
Allotments :- Income	923	945	945	0			100.0%	0
4222 Maintenance	1,378	415	945	530		530	43.9%	
Allotments :- Indirect Expenditure	1,378	415	945	530	0	530	43.9%	0
Net Income over Expenditure	(455)	530	0	(530)				
6000 plus Transfer from EMR	453	0	0	0				
Movement to/(from) Gen Reserve	(2)	530	0	(530)				
<u>410 Amenities</u>								
4222 Maintenance	3,760	1,400	7,240	5,840	33	5,807	19.8%	
4303 Plants	839	2,322	5,000	2,678		2,678	46.4%	
4357 Pest Control	0	0	200	200		200	0.0%	
4400 Wheeler Rd Play Area Resurface	0	0	2,000	2,000		2,000	0.0%	
4401 Housman Cres Play Area Fencing	0	0	200	200		200	0.0%	

	Actual Last Year	Actual Year To Date	Current Annual Bud	Variance Annual Total	Committed Expenditure	Funds Available	% Spent	Transfer to/from EMR
4402 Tree Survey & Works	1,450	1,421	2,000	579		579	71.1%	
Amenities :- Indirect Expenditure	6,049	5,143	16,640	11,497	33	11,464	31.1%	0
Net Expenditure	(6,049)	(5,143)	(16,640)	(11,497)				
6000 plus Transfer from EMR	(2,750)	0	0	0				
Movement to/(from) Gen Reserve	(8,799)	(5,143)	(16,640)	(11,497)				
<u>411 Linney Riverside Park</u>								
1075 Linney Park Car Park Meter	15,278	10,946	15,000	4,054			73.0%	
Linney Riverside Park :- Income	15,278	10,946	15,000	4,054			73.0%	0
4011 Rates	549	329	549	220		220	59.9%	
4013 Electricity	291	192	300	108		108	64.1%	
4608 Linney Car Park	6,110	1,300	15,000	13,700		13,700	8.7%	
Linney Riverside Park :- Indirect Expenditure	6,949	1,821	15,849	14,028	0	14,028	11.5%	0
Net Income over Expenditure	8,329	9,125	(849)	(9,974)				
6000 plus Transfer from EMR	(8,890)	0	0	0				
Movement to/(from) Gen Reserve	(561)	9,125	(849)	(9,974)				
<u>500 Direct Labour Force</u>								
1072 Vehicle Sale	2,000	0	0	0			0.0%	
Direct Labour Force :- Income	2,000	0	0	0				0
4013 Electricity	1,559	393	1,500	1,107		1,107	26.2%	
4223 Waste Management	2,239	2,754	2,500	(254)		(254)	110.2%	
4311 Vehicle Service & Repair	624	94	500	406		406	18.9%	
4312 Hand Mowers and Strimmers	873	0	0	0		0	0.0%	
4313 Vehicle Lease Hire	14,832	7,416	15,000	7,584		7,584	49.4%	
4318 Vehicle Tax	(38)	715	0	(715)		(715)	0.0%	
4319 Consumable Goods	1,497	551	1,500	949		949	36.7%	
4320 Fuel	5,114	2,366	6,000	3,634		3,634	39.4%	
4322 Clothing & PPE	1,610	586	1,600	1,014		1,014	36.6%	
4323 Equipment	1,601	1,287	29,623	28,336		28,336	4.3%	
Direct Labour Force :- Indirect Expenditure	29,910	16,161	58,223	42,062	0	42,062	27.8%	0
Net Income over Expenditure	(27,910)	(16,161)	(58,223)	(42,062)				
<u>501 Contingencies</u>								
4800 Contingency Fund	6,465	12,075	170,703	158,628		158,628	7.1%	

		Actual Last Year	Actual Year To Date	Current Annual Bud	Variance Annual Total	Committed Expenditure	Funds Available	% Spent	Transfer to/from EMR
4801	Infrastructure Fund	0	0	5,000	5,000		5,000	0.0%	
4803	DLF Equip Replacement Fund	0	0	3,000	3,000		3,000	0.0%	
	Contingencies :- Indirect Expenditure	6,465	12,075	178,703	166,628	0	166,628	6.8%	0
	Net Expenditure	(6,465)	(12,075)	(178,703)	(166,628)				
6000	plus Transfer from EMR	(3,500)	0	0	0				
	Movement to/(from) Gen Reserve	(9,965)	(12,075)	(178,703)	(166,628)				
	Grand Totals:- Income	1,218,592	1,173,044	1,265,827	92,783			92.7%	
	Expenditure	970,748	560,033	1,295,871	735,838	33	735,805	43.2%	
	Net Income over Expenditure	247,844	613,011	(30,044)	(643,055)				
	plus Transfer from EMR	(179,619)	1,250	0	(1,250)				
	less Transfer to EMR	2,070	2,271	0	(2,271)				
	Movement to/(from) Gen Reserve	66,154	611,990	(30,044)	(642,034)				

Item 18b
Q2 Exceptions Report

Income and Expenditure

Exceptions Report 2025/26

Second Quarter – July to September 2025 *(Fourth to Sixth month)*

Please note: The financial year runs from April (month 1) to March (month 12)

In Q2 expenditure and income expectation is 50%.

Variations of 15% or more are reported as exceptions.

Some income or budgets are incremental throughout the year and others are one off amounts.

Please read this report in conjunction with the Q2 Income and Expenditure Report.

Key	Explanation
	Green indicates: - Income in excess of expectation. - Expenditure below expectation.
	Red indicates: - Income below expectation. - Expenditure in excess of budget.

CODE	DESCRIPTION	EXCEPTION	Budget %	Q2 Total	Budget	Movement to/from EMR
General Admin		Income				
101/1176	Precept Received	Annual income received in April	100.0%	£946,000.00	£946,000.00	
101/1187	Neighbourhood Fund	Annual income received, transferred to EMR	No Budget	£2,271.00	£0.00	£2,271.00 to EMR 323
General Admin		Expenditure				
101/4016	Annual Town Meeting	Annual Town Meeting room hire cost, one off event	85.0%	£85.00	£100.00	
101/4021	Postage	Xmas Lights return postage £92.89	71.6%	£179.00	£250.00	
101/4023	Subscription & Licence Fees	Most, but not all, annual subscriptions due at the beginning of the year	72.5%	£2,247.00	£3,100.00	
101/4024	ALC Subscription	Annual subscription paid in full	101.7%	£2,644.00	£2,600.00	
101/4026	Office Equipment	Lumpy expenditure	31.1%	£623.00	£2,000.00	
101/4028	Liability Insurance	Annual bill paid. Small £39.00 refund received.	83.9%	£26,854.00	£32,000.00	
101/4029	Motor Insurance	Annual bill paid.	105.1%	£3,153.00	£3,000.00	
101/4031	Website	Annual email and website hosting fees paid in Q1	72.7%	£1,090.00	£1,500.00	
101/4032	Newsletter	First newsletter to be produced in Q3 – in	1.5%	£46.00	£3,000.00	

		the meantime there is a monthly column in Local Ludlow publication.				
101/4039	RBS Accounts Package	Annual account and cemetery software fee paid in full.	92.1%	£2,027.00	£2,200.00	
101/4053	HR & H&S Advice	Annual Support fee and insurance paid	95.3%	£5,243.00	£5,500.00	
101/4057	Audit Fees	Interim Audit in Q3, and awaiting External Auditor invoice	32.8%	£1,247.00	£3,800.00	
101/4062	Climate Action	Lumpy expenditure.	4.0%	£34.00	£860.00	
101/4070	Fire Safety	Annual fee due later in the year	31.3%	£470.00	£1,500.00	
101/4080	General Data Protection Reg	Annual fee paid	73.0%	£73.00	£100.00	
Staff Costs		Expenditure				
102/4001	Actuarial Pension Fund Deficit	Annual fee paid in full.	100.0%	£7,300.00	£7,300.00	
102/4002	CC Salaries & Wages	Remembrance Sunday due in Q3 - budget needs to be reviewed / increased.	93.8%	£563.00	£600.00	
102/4056	Payroll Processing Fee	Annual fee due later in the year	0.0%	£0.00	£2,200.00	
102/4063	Staff Counselling	Available to all staff when required – cheaper service secured with same company – budget to be reduced next year.	10.5%	£189.00	£1,800.00	
102/4064	Staff Medicals	DLF medicals to be scheduled for later in the year.	10.6%	£95.00	£900.00	
Insurance Claims		Income				
103/1070	Insurance Claims Received	Housman Play Area claim excess recovered from third party	No Budget	£250.00	£0.00	
Transaction Fees		Expenditure				
104/4523	Buttercross Card Payment Fees	Variable expenditure depending on Museum income and card/cash breakdown	34.5%	£28.00	£80.00	
104/4524	Market Card Payment Fees	New budget - to be reviewed. Largest proportion of market income received between Apr-Dec. More traders are paying by card. Rents being paid in advance for Q3 (Overall Transaction fees 57.6%, increase in card payment fees reduces bank charges for paying in cash.	113.9%	£911.00	£800.00	

104/4525	Guildhall Card Payment Fees	New facility - budget to be reviewed. Card machine for Street Trading, Cemetery Fees, Memorial Benches and Mayor's Charity events payments.	No Budget	£13.00	£0.00	
Civic Ceremonial		Income				
105/1160	Civic Regalia Income	Payment from Mayor's Allowance for Past Consort badge	No Budget	£34.00	£0.00	
105/1166	Mayor's Charity	Income to be transferred to Mayor's Charity Account	No Budget	£325.00	£0.00	
Civic Ceremonial		Expenditure				
105/4040	Election Expenses	Estimated budget to accommodate Shropshire Council's move to actual year charging (previously charges deferred until next year).	0.0%	£0.00	£4,000.00	
105/4200	Mayor's Allowance	Expenses claimed for mayor duties.	8.4%	£277.00	£3,280.00	
105/4201	Mayor Making	Annual event in May.	105.3%	£1,580.00	£1,500.00	
105/4206	Remembrance Sunday	Annual event in Q3	0.0%	£0.00	£800.00	
105/4207	Seniors Party	Annual event in Q3	8.3%	£100.00	£1,200.00	
105/4208	Children's Xmas Grotto	Annual event in Q3	0.0%	£0.00	£350.00	
105/4209	Civic Awards	Once a year cost, awards presented at Mayor Making	90.0%	£135.00	£150.00	
105/4213	Mayor's Board Updating	Board updated once a year.	83.4%	£834.00	£1,000.00	
105/4216	Mayor's Charity Expenditure	Costs to be transferred to Mayor's Charity Account (needs to come out of Mayor's Allowance in future).	No Budget	£800.00	£0.00	
Community Grants		Expenditure				
110/4091	Shaping Places Project	Project expenditure for workshop food, equipment and room hire. Final print cost due in Q3.	4.1%	£463.00	£11,3825.00	
110/4110	Visitor Information Centre	Annual grant paid in full.	100.0%	£5,000.00	£5,000.00	
110/4150	Youth Forum	Annual grant paid in full.	100.0%	£1,000.00	£1,000.00	
110/4156	Assembly Rooms	Annual grant paid in full.	100.0%	£5,000.00	£5,000.00	

110/4156	Ludlow Piano Festival	Annual grant paid in full.	100.0%	£750.00	£750.00	
110/4161	Ludlow Town Band	Annual grant paid in full.	100.0%	£1,050.00	£1,050.00	
110/4183	Ludlow Hockey Club	Annual grant paid in full.	100.0%	£1,000.00	£1,000.00	
Community Projects		Expenditure				
111/4604	CCTV	Maintenance costs	19.9%	£794.00	£4,000.00	
Property		Expenditure				
115/4222	Maintenance	Depot fire risk assessment and alarm monitoring and maintenance. Miss coded should be paid from 101/4070	70.9%	£1,417.00	£2,000.00	
Buttercross		Income				
119/1007	Buttercross Museum Donations	Lumpy income	No Budget	£126.00	£0.00	
Buttercross		Expenditure				
119/4012	Water Rates	Unmetered supply annual fee paid.	71.7%	£574.00	£800.00	
119/4013	Electricity	Invoiced for 4 months	23.4%	£351.00	£1,500.00	
119/4014	Gas	Invoiced for 5 months, summer lower usage	14.6%	£204.00	£1,400.00	
119/4020	Telephone	Portable 4G Wifi router purchased, future cost of £10.00 per month	0.0%	£0.00	£700.00	
119/4232	Buttercross Museum Merchandise	Concentrating on reducing number of lines in current stock, including a sale of slow sellers.	17.7%	£124.00	£700.00	
119/4234	Clock Service	Service completed later in the year.	0.0%	£0.00	£350.00	
119/4522	Buttercross Museum Events	Lumpy expenditure	21.7%	£33.00	£150.00	
Guildhall		Expenditure				
121/4012	Water Rates	Invoiced for 5 months, budget was increased last year prior to the discovery of a leak, expected underspend.	13.8%	£303.00	£2,200.00	
121/4013	Electricity	Invoiced for 4 months.	14.4%	£938.00	£6,500.00	
121/4222	Maintenance	Fire Risk assessment and considerable necessary electrical works.	186.5%	£5,594.00	£3,000.00	
121/4604	CCTV	Serviced in Q3	0.0%	£0.00	£700.00	
Markets		Income				

201/1003	Buttercross Market Rent	Increase in frequency of trader use/ higher usage during high season.	97.2%	£1,945.00	:
201/1023	Specialist Markets	Music Festival and Makers Markets	135.3%	£1,624.00	:
201/1027	Food Festival		0.0%	£0.00	:
201/1028	Charity Market	Market rents for Mayor's Charity Market to be transferred to Mayor's Charity account after event	No Budget	£273.00	:
201/1037	Sunday Markets	All markets held between April and December, bookings being taken for Q3.	94.4%	£15,434.00	:
201/1038	Thursday Markets	All markets held between April and December, bookings being taken for Q3.	85.3%	£8,535.00	:
201/1171	Miscellaneous Income	Market trader PAT testing fees	No Budget	£10.00	:
Markets		Expenditure			
201/4012	Water Rates	Invoiced for 5 months.	29.4%	£294.00	:
201/4013	Electricity	Invoiced for 4 months.	33.1%	£1,323.00	:
201/4018	Online Booking System	New market website and booking system. Funds from EMR 329 should be used to cover this expenditure.	800.0%	£4,000.00	:
201/4036	MACCs Licence & Maintenance	Annual licence and support paid.	100.1%	£851.00	:
201/4222	Maintenance	Lumpy expenditure.	12.2%	£367.00	:
Mayfair		Income			
202/1024	Mayfair	Annual fee paid	100.0%	£9,632.00	:
Mayfair		Expenditure			
202/4224	Mayfair	Annual event has taken place, further staff costs yet to be transferred.	53.4%	£5,145.00	:
Tourism		Income			
205/1056	Town Trails Income	At cost income to be moved to EMR to cover reprint	No Budget	£70.00	:
Street Furniture		Income			
302/1059	Street Furniture Income	Three memorial benches and one plaque purchased, 5-year maintenance fee to be moved to EMR	No Budget	£3,737.00	:
Street Furniture		Expenditure			
302/4501	Street Furniture	Purchased more benches than expected – see income code.	107.2%	£1,608.00	:

Castle Street Toilets		Expenditure			
304/4012	Water Rates	Inaccessible water meter read every 6 months can lead to inaccurate estimated bills.	75.0%	£2,399.00	:
304/4013	Electricity	Invoice for 4 months.	28.8%	£1,438.00	:
Smithfield Toilets		Expenditure			
305/4012	Water Rates	Invoice for 5 months	24.7%	£433.00	:
Linney Toilets		Expenditure			
306/4012	Water Rates	Invoiced for 5 months	21.6%	£86.00	:
Cemetery		Expenditure			
401/4011	Rates	Increased costs, annual charge of £2197.32	82.3%	£1,317.00	:
401/4012	Water Rates	Low usage	26.8%	£134.00	:
Allotments		Income			
403/1076	Allotments Rent	Annual rent paid	100.0%	£945.00	:
Amenities		Expenditure			
410/4222	Maintenance		19.8%	£1,400.00	:
410/4357	Pest Control		0.0%	£0.00	:
410/4400	Wheeler Road Play Area Resurface		0.0%	£0.00	:
410/4401	Housman Crescent Play Area Fencing		0.0%	£0.00	:
410/4402	Tree Survey & Works		71.1%	£1,421.00	:
Linney Riverside Park		Income			
411/1075	Linney Park Car Park Meter	Summer season is highest usage.	73.0%	£10,946.00	:
Linney Riverside Park		Expenditure			
411/4608	Linney Car Park	Lumpy expenditure	8.7%	£1,300.00	:
Direct Labour Force		Expenditure			
500/4223	Waste Management	More frequent green waste removal	110.2%	£2,754.00	:

Item 19a

Internal Audit Observations

Ludlow Town Council Financial Year 2025-26

Visit 1 Internal Audit Observations

Date considered by Council _____

Minute Reference _____



IAC Audit and Consultancy Ltd

Audit date: 5 November 2025

This authority complied with its financial regulations, payments were supported by invoices, all expenditure was approved and VAT was appropriately accounted for.

No.	Audit Test	Response	Observation	Recommendation	Priority	Comments
1	Is the tender level in Financial Regulations and Standing Orders set at the same level?	No	<i>It was noted that the tender level stated in Financial Regulations was £60,000 and in Standing Orders it is set at £25,000.</i>	The Council to review the tender level set in its Financial Regulations and Standing Orders and ensure that they are set at the same level.	Medium	This is an oversight and will be amended for FC approval on 1st December 2025.

The precept or rates requirement resulted from an adequate budgetary process; progress against the budget was regularly monitored; and reserves were appropriate.

No.	Audit Test	Response	Observation	Recommendation	Priority	Comments
1	When preparing the budget, and subsequent precept demand, did the Council specifically consider the level of its General Reserve and whether the level of the General Reserve was adequate and not excessive?	Yes	<i>It was noted that the budget was set with income exactly equalling expenditure, which implies there is no planned addition or reduction of the General Reserve. It is not clear when setting the precept that the Council</i>	When setting the budget the Council should specifically consider the level of its General Reserve. The Council should set the level of its General Reserve in line with the guidance set out in the Practitioner's Guide paragraphs 5.33 -	High	The council agreed reserve levels at its meeting on 9th December 2024 in FC/245 and these decisions were reiterated in the final budget report to FC in January 2025.
2	The Council has established Reserves (or some other suitable measure) to monitor the usage of Capital Receipts	Yes	<i>The Council has a Capital Receipt in nominal 321 which has not been applied to fund capital expenditure.</i>	The Council to establish a formal method for the recording of Capital Receipts income and expenditure and monitoring of any balance outstanding. This should be subject to annual review as part of the budget setting process.	Medium	The Budget Task & Finish Group is currently reviewing EMR - and I am recommending that EMR 321 is allocated to CIL Expenditure Projects.
3	Council has returned to IAC completed Internal Audit Observations spreadsheets from prior audit(s)	No	<i>The Council has not provided its response to the Internal Audit Observations from the previous audit and returned it to IAC.</i>	Council to provide its comments on the previous Internal Audit Observations.	Medium	Full Council approved the observations and proposed action on 23rd June 2025. Minute and document attached to this response.
4	Council has reviewed independence of the Internal Auditor	No	<i>It was noted that the Council has not formally considered the independence of the Internal Auditor as set out in the Practitioner's Guide paragraph 4.11</i>	The Council to ensure that, on an annual basis, it formally considers the independence of the Internal Auditor. It may be appropriate for this to be done at the same time as the Council considers the Annual Internal Audit Report.	Medium	The Annual Internal Audit Report is due to be considered 22nd June 2026, an item to consider the independence of the internal auditor will be added.

L

The authority published the required information on a website/webpage up to date at the time of the internal audit in accordance with the relevant legislation.

No.	Audit Test	Response	Observation	Recommendation	Priority	Comments
1	The Council has complied with the publication requirements of the ICO Model Publication Scheme for Parish Councils. (This includes a requirement to publish the Annual Internal Audit Report).	No	<i>It was also noted that the Council does not publish a listing of payments over £100 as required by the ICO Model Publication Scheme, what is published is a list of invoices over £100. This will not include any items of expenditure - such as payroll costs - which are not recorded through the purchase ledger.</i> <i>It was noted that a number of links on the Councils Publications Scheme do not appear to work</i>	The Council should ensure that it publishes the payment information required by the ICO Model Publication Scheme (version 3) and that it ensures that any links to published information are valid. Although this is not a requirement under the Accounts and Audit Regulations 2015, the Council should note that it is a statutory requirement under the Freedom of Information Act.	Advisory	The process for gathering the payment information will be changed from the purchase ledger report to a cash book listing report, although there does not appear to be a filter option, so it will include all payments. The Model Publication Scheme document will be checked and the links reinstated



MINUTES

Minutes of a meeting of the **COUNCIL** held at The Guildhall, Mill Street, Ludlow on **MONDAY 9th DECEMBER** at **7.00 PM**.

FC/228 PRESENT

Chairman: Councillor B. Waite

Councillors: Child; De Gersigny, Garner; Gill; Ginger; Hall; Harris; Miller; Parry; Tapley; Thompson and S Waite.

Officers: Gina Wilding, Town Clerk
Kate Adams, Deputy Town Clerk

ABSENT

Councillors: Jones

FC/229 HEALTH & SAFETY

The Mayor, Councillor B Waite, welcomed everyone to the Full Council meeting and made some health and safety announcements.

FC/230 RECORDING OF MEETINGS

The Mayor notified those present that under the Openness of Local Government Regulations 2014, recording and broadcasting is permitted during public session of Council Meetings.

FC/231 APOLOGIES

No apologies were received.

FC/232 DECLARATIONS OF INTEREST

Disclosable Pecuniary Interests

None

Conflicts of Interest

Councillor Parry

Ludlow in Bloom

Councillor Childs

Ludlow Residents Group

Personal Interests

Councillor Childs

Item 25

FC/233 PUBLIC OPEN SESSION (15 minutes)

Twenty-seven members of the public were present.

There was unity around one issue for most present and some expressed hostility towards the council.

The Chair of the Town Walls Trust informed the Council that people are available with relative expertise and able to help. This offer is time limited as people near retirement age and officers in other authorities are in the same situation. It will be an uphill task to source funding. The TWT feel they can help to achieve the repair.

A gentleman spoke on behalf of the Rector of St Laurences.

The PCC are keen to work together; the Council needs to work transparently and clearly. The Council must drop their demand for a non-disclosure agreement. This work should be the Council's most urgent priority.

A resident said is concerned about the maintenance of the remaining section of wall which has trees and vegetation growing within the structure. The longer its left, the greater the risk of collapse and his grandchildren play in their yard adjacent to the wall. He has been assured previously that LTC have the relevant insurance in place.

A resident of Ludlow claimed that most Councillors haven't seen the Morton report but are expected to vote on issues relating to the Town Wall. There are further concerns relating to cracks in the remaining wall and the safety of the church's structure.

A resident of Ludlow said that in light of what's been asked, he had the same question regarding the Morton report. Is the report that Councillors have seen the full report, a redacted report or a version of the report?

A resident of Ludford stated that it is the duty of every Council, and Councillor, to be transparent in their duty and thinking. Too much is being redacted, how can Councillors be comfortable with this?

A member of the public who had raised their had was asked to make their point, but declined due to the general sense of hostility from others in the room.

A resident of Ludlow asked the office for a written update on CCTV deployment.

The Chair of Ludlow in Bloom said that she is no longer allowed to do anything with planting. She says that LIB Committee are not in debt.

FC/234 LUDLOW POLICE UPDATE

West Mercia Police Inspector Damien Kelly addressed the Council with an update.

November is a busy month due to annual events of Halloween and bonfire night. There has been a very visible police presence.

A new Police Officer has been designated to the Craven Arms area allowing the Ludlow Officer, Fern Johnson, more time to spend in our area. Working proactively rather than reactively.

- Operation Aurora has involved speed monitoring on Overton Road and Sheet Road, where problems have been reported, and tickets have been issued.
- Operation Ancara relates to antisocial driving at areas including the Eco Park. Needless to say that when the police arrive the antisocial behaviour stops, so they are hoping to visit covertly.
- Operation Limit is a national drink drive operation which will take place throughout December and January. People checked so far have all had a zero level of alcohol.
- Operation Whitebeam is aimed at rural thefts with a proactive theme. Providing visible patrols and presence has meant less crime in specific areas for 48 hours afterwards showing that police activity is being seen bore they spot the thieves. They are hoping a continuing, regular presence will rid the area of this issue.
- Operation Cognay relates to shop lifting and drug dealing. Including inspections of hotspots such as Henley Road cemetery. They try not to use local officers for these patrols as they will be recognised. 1 property is currently being focused on as a location for 'cuckooing'.
- To tackle shoplifting in Church Stretton a plain clothes officer approach was utilised to help reassure shops that the police were out and about, they are hoping to do the same in Ludlow.

Chief Inspector Graham Preece introduced himself to the Council and assured them that Ludlow's team is fully staffed, he has strong connections to Ludlow and will be meeting the Mayor for quarterly meetings moving forward.

FC/235 LUDLOW'S UNITARY COUNCILLORS SESSION

Councillor Boddington provided a written update to the Council.

Councillor Parry (Ludlow South) gave a brief update regarding the Police Crime Commissioner and changes to council tax payments.

FC/236 MINUTES – 28TH OCTOBER 2024

RESOLVED BW/TG (12:0:1)

To approve the addition of an addendum, note on a separate page: After the meeting the Council was provided with extra information stating Ludlow In Bloom's financial reserves.

FC/237 RESOLVED BW/EG (12:0:1)

That the open and closed session minutes of the Council meeting held on Monday 28th October 2024, be approved as a correct record and signed by the Chair.

FC/238 ITEMS TO ACTION – 28TH OCTOBER 2024

RESOLVED BW/DT (unanimous)

That the Items to Action of the Council meeting held on 28th October 2024, be noted.

FC/239 TRANSPORT FOR WALES PRESENTATION

Apologies were received from Nichole Sarra, Stakeholder Manager for the Borders, Transport for Wales (TfW).

FC/240 CO-OPTION

RESOLVED BW/SW (unanimous)

To note that there have been no applications for co-option in Gallows Bank ward and there will be no further action to co-opt a Councillor because it is less than six months to an all-out election.

FC/241 EXTERNAL AUDIT

RESOLVED BW/GG (unanimous)

To adopt the external auditors report for the financial year 2023/24.

FC/242 SHROPSHIRE COUNCIL BUDGET CONSULTATION 2025/26

RESOLVED BW/AT (unanimous)

To note the themes of Shropshire Council's consultation that commences during December (date TBC) includes:

- Reviewing household waste collections

- Reviewing Park and Ride services in Ludlow and Shrewsbury, and how these services are funded.
- Reviewing enforcement for littering, dog fouling and illegal parking.
- Reviewing a range of options for car parking in town centres.
- Reviewing charges for social care support.
- Reviewing whether more services could be devolved to other organisations.

FC/243 ICO MODEL PUBLICATION SCHEME

RESOLVED BW/RH (unanimous)

To approve the Council's updated model publication scheme.

FC/244 PROJECT SUPPORT GRANT APPLICATION

Councillors asked that the BSL show is publicised by the town council on its social media.

RESOLVED BW/EG (12:0:1)

To approve a £750 grant for Ludlow Assembly Rooms in support of British Sign Language (BSL) translator for a Pantomime performance.

FC/245 COMMITTEE RECOMMENDATIONS

RESOLVED SW/GG (unanimous)

To approve the recommendations from Policy and Finance Committee on 2nd December 2024 as follows:

INTERNAL AUDIT

That Full Council adopt the internal auditor's observations and proposed actions from November 2024 and note the status of actions on prior observations from Year End internal review 2024.

INVESTMENTS

That Full Council increase the investment in the Public Sector Deposit Fund (PSDF) by £500,000.00.

RESERVES

Annual Review of Reserves

To continue monitor income trends, asset conditions, and expenditure to adjust reserves as necessary.

Income Diversification

To reduce reliance on precept by exploring grants, and sponsorships.

Proactive Asset Management

To conduct regular inspections of listed buildings, play areas, and other high-risk assets to prevent unexpected costs.

Cost Monitoring

To continue continuously monitor operating expenses to ensure reserves remain adequate and proportionate to risks through Policy and Finance Committee.

Reserve Levels

To approve a General Reserve of £300,000 or equivalent to 3 months of operating expenditure, providing a balance between flexibility and prudent risk management.

Earmarked Reserves:

To approve total earmarked reserves of £600,000 - £800,000.

Breakdown:

- Listed buildings maintenance: £200,000
- Play areas and public toilets: £75,000.
- Market infrastructure: £50,000.
- Staffing contingencies: £50,000.
- Legal and regulatory compliance: £30,000.
- Other projects / devolution costs: £350,000

To approve building total reserves of £900,000 to £1.1 million to ensure the council can handle both short-term operational risks and long-term capital obligations.

FC/246 BUDGET TASK AND FINISH GROUP PRELIMINARY REPORT

RESOLVED BW/SW (12:0:1)

To approve the preliminary draft budget for 2025 / 26.

FC/247 RESOLVED BW/EG (12:0:1)

To note that the final budget including fees for grave digging and benches, and adjustments for the council tax base will be presented to Full Council for approval in January 2025.

FC/248 REMOTE MEETINGS

RESOLVED BW/DT (11:0:2)

To respond to the Government's consultation questions as follows:

- To agree with the broad principle of granting local authorities' powers to allow remote attendance at formal meetings.
- To agree that there should be no limitations placed upon councils with regard to setting arrangements for remote attendance of council meetings, up to and including full remote attendance.

FC/249 SOUTH SHROPSHIRE YOUTH FORUM ANNUAL REPORT

RESOLVED BW/RH (unanimous)

To note the report.

FC/250 LORD-LIEUTENANT'S SHROPSHIRE GARDEN PARTY 2025

RESOLVED SW/DC (unanimous)

To submit a nomination for Councillor Parry to attend the garden party in recognition of her work for Ludlow in Bloom.

FC/251 SHROPSHIRE FIRE AND RESCUE CONSULTATION

RESOLVED TG/EM (unanimous)

To respond in general support of priorities.

FC/252 NATIONAL CREMATION AND BURIAL CONSULTATION

RESOLVED BW/EG (12:0:1)

Ludlow Town Council would be against removing burials and reusing graves and to maintain compliance with current regulations that graves are sold once and dug to double depth and could include up to five single depth cremated remains interments.

FC/253 COMMITTEE MINUTES

RESOLVED SW/GG (unanimous)

To receive the minutes of the Policy & Finance Committee on 21st October 2024.

FC/254 RESOLVED BW/EG (unanimous)

To receive the minutes of the Services Committee on 27th November 2024.

FC/255 RESOLVED GG/EM (unanimous)

To receive the minutes of the Representational Committee on 22nd October and 19th November 2024.

FC/256 RESOLVED EG/RH (unanimous)

To receive the minutes of the Staffing Committee on 14th November 2024.

FC/255 EXCLUSION OF PRESS AND PUBLIC: PUBLIC BODIES (ADMISSION TO MEETINGS) ACT 1960

RESOLVED BW/EM (unanimous)

That that the public be excluded from the meeting for the following item(s) of business pursuant to section 1 of the Public Bodies (Admission to Meetings) Act 1960, on the grounds that publicity would be prejudicial to the public interest by reason of the confidential nature of the business to be transacted, the public be excluded, and the meeting continue in closed session.

The meeting closed at 8.59pm.

Town Mayor

Date

Closed session minutes will be issued for this meeting.



MINUTES

Minutes of a meeting of the **COUNCIL** held at The Guildhall, Mill Street, Ludlow on **MONDAY 23RD JUNE 2025** at 7.00 PM.

FC/90 PRESENT

Chair: Councillor Lyle

Councillors: Addis; Childs; Cowell; Gill; Ginger; Harris; Hepworth; Maxwell-Muller; Owen; Parry; Scott-Bell; Tapley; Taylor

Officers: Gina Wilding, Town Clerk
Helen Jones, Senior Administration Assistant

ABSENT

Councillors: Waite

FC/91 HEALTH & SAFETY

The Mayor, Councillor Lyle, welcomed everyone to the Full Council meeting and made some health and safety announcements.

FC/92 RECORDING OF MEETINGS

The Mayor notified those present that under the Openness of Local Government Regulations 2014, recording and broadcasting is permitted during public session of Council Meetings. The act of recording and broadcasting must not interfere with the meeting.

FC/93 MEETING PROTOCOL

The Mayor reminded Members of the vital importance of mutual respect, professionalism, and full adherence to the Council's Code of Conduct, Standing Orders, and Meeting Protocol.

Councillors and officers have distinct yet complementary roles and work collaboratively in the best interests of the community. Councillors are responsible for setting policy and representing the public, while officers provide impartial advice and are tasked with implementing Council decisions.

During meetings, Members must conduct themselves with decorum, follow the established rules of debate, and respect the authority of the Chair. Disruptive behaviour, undue pressure on officers, or prioritising personal interests above Council objectives undermines good governance and is contrary to the standards of conduct expected in Council proceedings.

Maintaining integrity, accountability, and a respectful environment is essential to ensuring effective and transparent decision-making.

FC/94 APOLOGIES

Apologies were received from Councillor Waite.

FC/95 DECLARATIONS OF INTEREST

Disclosable Pecuniary Interests

None

Conflicts of Interest

<u>Member</u>	<u>Item</u>	<u>Reason</u>
Councillor Lyle	26	Secretary to LTWT

Personal Interests

<u>Member</u>	<u>Item</u>	<u>Reason</u>
Councillor Cowell	26	Involved with LTWT
Councillor Addis	14	Worked on Buttercross
Councillor Lyle	19	Is on the working group
Councillor Lyle	21	Hearing issues
Councillor Lyle	25	Knows the Organisation
Councillor Harris	25	Assisted with the survey
Councillor Childs	26	
Cllr Maxwell-Muller	26	

Councillors were reminded that if they have made any statements in the past in relation to their position on the wall or any other item on the agenda, they should consider declaring an interest in the interests of openness and transparency.

FC/96 PUBLIC OPEN SESSION (15 minutes)

There were seven members of the public in attendance.

A resident of Ludlow reiterated a question made at the previous meeting regarding the eligibility of Councillor Hepworth to be elected to Ludlow Town Council as he does not live within the prescribed area. They also had a question regarding Item 26 and asked for an explanation as to how the Town Council could consider spending money from the public purse raised by the precept to do work on a structure which the council does not own, nor do the people of Ludlow own.

A resident of Ludford raised the issue of sound in the council chamber, stating that it was impossible to hear at the back of the room. They asked for the Town Council to investigate the installation of an amplification system, and also an AI component to produce minutes.

FC/97 LUDLOW POLICE UPDATE

Apologies were received from the Safer Neighbourhood Team.

The Mayor informed those present that May's Newsletter from the Safer Neighbourhood Team was circulated to all members, as well as an email from Inspector Kelly who reports that, in addition to a new sergeant, Ludlow will be receiving an extra SNT Police Constable, expected in post by the end of the month, with funding secured for two years.

Inspector Kelly is leading the local rollout of *KTCS 25 – Keeping Town Centres Safe*, a new UK-wide initiative aimed at reducing ASB, theft, and shoplifting through increased patrols, multi-agency coordination, and data-led deployment. In Ludlow, this includes more visible policing, continued social media engagement, and regular contact with council staff. The programme will be monitored and adapted in response to local crime trends throughout the summer.

FC/98 LUDLOW'S UNITARY COUNCILLORS SESSION

Councillor Parry (Ludlow South) was present but did not have an update.

FC/99 MINUTES

RESOLVED DL/PA (unanimous)

That the minutes of the Council meeting held on Wednesday 14th May 2025 be approved as a correct record and signed by the Chair.

FC/100 ITEMS TO ACTION

RESOLVED DL/PA (13:0:1)

That the Items to Action be noted.

FC/101 INTERNAL AUDIT

RESOLVED DL/TG (unanimous)

That the signed Annual Internal Audit Report for 2024/25 be adopted.

FC/102 RESOLVED DL/KC (unanimous)

That the Year end Audit letter from the Internal Auditor be received.

FC/103 RESOLVED DL/IMM (unanimous)

That the Year end Internal Audit observations be adopted.

FC/104 RESOLVED DL/TG (unanimous)

That the revised Asset Register be adopted.

FC/105 ANNUAL GOVERNANCE AND ACCOUNTING RETURN (AGAR) 2024/25

RESOLVED DL/PA (unanimous)

That the explanation of the 2024 Box 8 figure be noted.

FC/106 RESOLVED KC/RO (unanimous)

That the Annual Return Governance Statement 2024/25 in accordance with the Accounts and Audit Regulations be approved.

FC/107 RESOLVED DL/IMM (unanimous)

That the Annual Return Statement of Accounts 2024/25 in accordance with the Accounts and Audit Regulations be approved.

FC/108 RESOLVED RO/JH (unanimous)

That publishing the detailed Annual return Account document on the Council's website be approved.

FC/109 RESOLVED DL/KC (unanimous)

That the dates from Monday 30th June to Friday 8th August for the period for the exercise of public rights be approved.

FC/110 SHROPSHIRE COUNCIL'S NEW APPROACH TO PARTNERSHIP WITH TOWN AND PARISH COUNCILS

RESOLVED DL/KC (unanimous)

That Councillors will either send their responses to the survey into the Town Clerk or directly into Shropshire Council.

FC/111 LISTED BUILDINGS CONDITION REPORT

RESOLVED GG/DL (unanimous)

That the specification for a condition report for the Guildhall and the Buttercross with no requirement for background information or historical context of the buildings., be approved.

FC/112 RESOLVED DL/GG (unanimous)

That three contractors listed in the report are invited to submit a quotation.

FC/113 COMMUNITY INFRASTRUCTURE LEVY (CIL)

RESOLVED DL/ISB (13:0:1)

That the Annual Neighbourhood Fund Agreement be approved.

FC/114 MARKET SQUARE PARKING

RESOLVED TG/DL (12:1:1)

That the motion to urge Shropshire Council to promptly undertake a public consultation on a Traffic Regulation Order under the Road Traffic Regulation Act 1984 be approved.

FC/115 HSE PRIORITIES 2025/26

RESOLVED DL/TG (unanimous)

That the HSE priorities for 2025/26 be adopted as the Council's priorities.

FC/116 TERRORISM (PROTECTION OF PREMISES) ACT 2025

RESOLVED DL/PA (unanimous)

That the new legislation be noted.

FC/117 LUDLOW CANCER SUPPORT GROUP

That the request for a statement of support from the Town Council be approved.

FC/118 ANNUAL TOWN RESIDENTS MEETING

RESOLVED DL/TG (11:0:3)

That the minutes from the Annual Town Residents Meeting on 19th May 2025 be noted.

FC/119 INCLUSIVE MEETINGS

RESOLVED DL/KC (13:0:1)

That the update regarding remote meeting attendance be noted.

FC/120 NOT CARRIED JH/RO (2:7:4)

The proposal that AI note-taking software be investigated was not carried.

FC/121 RESOLVED DL/KC (unanimous)

That an investigation into amplification equipment and live streaming capabilities at the Guildhall be approved.

FC/122 RESOLVED PA/TG (unanimous)

That the investigation into amplification equipment and live streaming capabilities in the Guildhall be added onto the Projects Action List.

FC/123 PROJECTS

RESOLVED DL/IMM (unanimous)

That the top three priority projects for June – September 2025 be approved as CCTV, VJ Day, and the Shaping Lives Project, and the next three priorities for October – December 2025 be considered at the July Council meeting.

FC/124 COMMITTEE MEMBERSHIP

RESOLVED DL/KC (unanimous)

That Councillor Maxwell-Muller be approved onto the membership of Services Committee, Policy & Finance Committee, Staffing Committee, Climate Action Task & Finish Group and the Town Planters Working Group.

FC/125 PARISH PATHS PARTNERSHIP REPRESENTATIVE FOR 2025/26

No representative appointed.

FC/126 FAIRTRADE STEERING GROUP REPRESENTATIVE FOR 2025/26

No representative appointed.

FC/127 FRIENDS OF LUDLOW MUSEUM

RESOLVED VP/SH (unanimous)

Councillor Parry is appointed the Town Council representative.

FC/128 LUDLOW SUSTAINABLE TRANSPORT BUS GROUP

RESOLVED DL/ISB (unanimous)

That the update from Ludlow Sustainable Transport Bus Group be noted, and actions referred to the Representational Committee.

FC/129 TOWN WALLS

RESOLVED DL/ISB (12:0:2)

To approve, without prejudice to Ludlow Town Council's position that it is not liable, a contribution of £1,500 for hiring an external contractor to reposition replacement bags of stone at the collapsed section of the Town Wall as a gesture of goodwill because of the H&S concerns.

FC/130 COMMITTEE RECOMMENDATIONS

RESOLVED RO/IMM (11:0:2)

That the recommendations from the Policy & Finance Committee meeting on 16th June 2025 be approved, subject to a meeting of the Task & Finish Group meeting to discuss insurance prior to the next meeting of the Committee:

- **Write Off Debt**

That the Ludlow Pride organisation that incurred the debt are no longer in existence and that the debt in the sum of £45.00 plus VAT be written off.

INSURANCE

- **Insurance Task and Finish Group**

That:-

- a) an Insurance Task and Finish Group be set up to review the Council's insurance requirements;
- b) the Insurance Task and Finish Group membership be made up of Councillors Hepworth, Owen and Taylor.

POLICY REVIEW

- **Financial Regulations**

That:-

- a) **Financial Regulation paragraph 6.6 be amended to read:**

For each financial year the RFO shall draw up a schedule of regular payments due in relation to a continuing contract or obligation (such as Salaries, PAYE, National Insurance, pension contributions, rent, rates, regular maintenance contracts and similar items), which the Council may authorise in advance for the year.

- b) **Financial Regulation paragraph 6.9 be amended to read:**

The Clerk and RFO shall have delegated authority to authorise payments in the following circumstances:

- i. any payment necessary to avoid a charge under the Late Payment of Commercial Debts (Interest) Act 1998 or to comply with contractual terms, where the due date for payment is before the next scheduled meeting of [the Council], where the Clerk certifies that there is no dispute or other reason to delay payment, provided that a list of such payments shall be submitted to the next appropriate meeting of Policy & Finance Committee.
 - ii. Fund transfers within the Council's banking arrangements up to the sum of £100,000, provided that a list of such payments shall be submitted to the next appropriate meeting of Policy & Finance Committee.
 - iii. payments of up to £10,000 excluding VAT in cases of serious risk to the delivery of Council services or to public safety on Council premises.
- c) **Financial Regulation paragraph 5.18 be amended to read:** In cases of serious risk to the delivery of Council services or to public safety on Council premises, the clerk 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 Clerk shall report such action to the Chair as soon as possible and to the Council as soon as practicable thereafter.

That **Financial Regulation paragraph 5.15. be amended to read:** Individual purchases of goods or services (or series of payments for the same service) within an agreed budget for that type of expenditure may be authorised by:

- the Clerk, under delegated authority, for any items below £2,500 excluding VAT.
- the Clerk, in consultation with the Chair of the Council or Chair of the appropriate Committee, for any items below £5,000 excluding VAT.
- in respect of grants, Council within any limits set by the grant giving criteria, and in accordance with any policy statement agreed by the Council.
- the Council for all items over £5,000;

Such authorisation must be supported by a minute (in the case of Council or Committee decisions) or other auditable evidence trail.

b) Safeguarding – Children and Vulnerable Adults Protection Policy

That the Safeguarding – Children and Vulnerable Adults Protection Policy be amended at 4.2 to read:

4.2 Recruitment and Training

- Disclosure and Barring Service (DBS) checks, will be conducted for all staff, and Councillors.
- Disclosure and Barring Service (DBS) checks will be conducted for volunteers working with children, young people, or vulnerable adults.
- Staff, councillors and volunteers will receive regular training on safeguarding policies and procedures.

• Task and Finish Group Recommendations – 5th June 2025

That:

- a) the following actions be taken in preparation for Ludlow Green Festival:
 - Key information leaflets to be produced but only in a small number.
 - A QR code to be displayed linking to the information on our website.
 - Councillors who assist with ‘manning’ the stall will be provided with a script of information.
 - Councillors to be emailed asking for assistance in ‘manning’ the stall.
 - Councillor Lyle and Cowell will arrange obtaining free flower seeds to be given away.
- b) an expenditure for labels and seed envelopes (£3.99 for 100 envelopes (6 x 10cm), 100 Labels off: £25.51 plus vat). Expenditure from budget code 101 4062 (climate action) which has a budget of £500 be approved.
- c) the following updates to be made to the Climate Action Plan:
 - Working Group to consider what criteria could be included in 4 – *We will aim to include Climate Emergency reference in all new contract specifications and Invitations to Tender and we will include these references in the evaluation process*; and 11 – *We will aim to ensure all contractors have a ‘Zero to Landfill’ policy which is regularly reviewed and updated.*
 - 20 – To approach Shropshire Council to ensure they have found alternatives to using toxic weedkillers throughout the county.

- 21 – The Deputy Town Clerk to progress the Hedgerow Maintenance and Management plan to be brought to the next Climate Action Task and Finish Group as a first draft document.
- 22 – Could a DLF member be invited to a future meeting of the Climate Action Task and Finish Group to discuss? The Deputy Town Clerk to produce a draft document similar to a Toolbox Talk for the DLF.
- 23 – The Deputy Town Clerk to confirm if Shropshire Council have been contacted regarding reducing non-essential grass cutting of verges throughout Ludlow to allow native wildflowers to grow.
- 24 – To consider before the next meeting ideas for a climate action award draft criterion.
- 25 – To look at the Grant Funding criteria and make suggestions regarding how climate-related criteria could be included.
- 26 – To recommend to Policy and Finance Committee that Ludlow Town Council facilitates a community meeting to discuss environmental issues and climate change. The location should be easily accessible for all to attend.
- 29 – Could we embrace the current volunteer interest in Ludlow and hold a volunteer day/morning (possibly a Saturday) at St Johns Gardens to begin interest in the site start tidying up the beds.
- **Carried Forward Funds**

That the carried forward funds from the 2024/25 budget into the 2025/26, as stated in the 4th Quarter Exceptions Report, be approved.

FC/131 COMMITTEE MINUTES

RESOLVED DL/PA (unanimous)

That the minutes of the Representational Committee meeting held on 20th May 2025 be received.

FC/132 RESOLVED DL/PA (unanimous)

That the minutes of the Services Committee meeting held on 11th June 2025 be received.

The meeting closed at 8.32pm.

Town Mayor

Date

Closed session minutes will NOT be issued for this meeting.

Item 19b

Internal Audit Letter and Summary



Gina Wilding
Town Clerk
Ludlow Town Council
The Guildhall
Mill Street
Ludlow
Shropshire
SY8 1AZ

11th November 2025

Dear Gina,

Interim Internal Audit Report

An audit was carried out by Kevin Rose on Wednesday 5 November 2025. This was the interim internal audit, part of the annual internal audit coverage of the Council. Prior to the audit a 'Pre-Audit' was carried out remotely which tested items which are required to be published on the Council's website.

The audit was undertaken using the standard IAC Audit Checklist, that we use for all Local Councils, which has 206 items. A total of 103 items were tested during this audit, including items that were examined and tested as part of the pre-audit process. A balance of 103 items remain to be tested.

The following 'Internal Control Objectives' of the Annual Internal Audit Report (part of the AGAR) were checked and confirmed as being Not Applicable to your Council for this financial year.

- Exemption from External Audit (Box K)
- the Transparency Code (for Smaller Authorities) (Box L)
- Trust Funds (Box O)

Areas subject to audit were;

- the Accounting system and records (Box A)
- the Payment system (Box B)
- Risk and insurance (Box C)
- Budget and precept setting and monitoring (Box D)
- Income billing, collection and VAT (Box E)
- Petty cash (Box F)
- Bank reconciliations (Box I)
- Accounting Statements (Box J)

Of the 100 applicable items tested a Positive response was obtained in respect of 96 tests. There were 4 Negative responses identified and 6 Observations were made, details of which are set out in the attached Interim Internal Audit Observations.

Summary of tests undertaken during this audit

Positive response	96
Negative response	4
Not Applicable to your Council	3
Total tests carried out	<u>103</u>

I am pleased to advise that no 'Non-Compliances' were identified at this stage that would give rise to a negative response on the statutory Annual Internal Audit Report.

I would like to express my thanks for the assistance provided to me during my audit.

Yours sincerely,

A handwritten signature in black ink, appearing to read 'K. Rose'.

Kevin Rose ACMA
Director

Interim audit summary Ludlow Town Council

(shaded Internal Control Objectives are not applicable to your Council)



Audit 1 Date 5 November 2025

Internal Control Objective		N/A	Tested	Positive	Negative	Observations	Non Compliance
Box A	Appropriate accounting records have been properly kept throughout the financial year.	-	6	6	-	-	
Box B	This authority complied with its financial regulations, payments were supported by invoices, all expenditure was approved and VAT was appropriately accounted for.	2	34	31	1	1	
Box C	This authority assessed the significant risks to achieving its objectives and reviewed the adequacy of arrangements to manage these.	1	4	3	-	-	
Box D	The precept or rates requirement resulted from an adequate budgetary process; progress against the budget was regularly monitored; and reserves were appropriate.	-	17	15	2	4	
Box E	Expected income was fully received, based on correct prices, properly recorded and promptly banked; and VAT was appropriately accounted for.	-	11	11	-	-	
Box F	Petty cash payments were properly supported by receipts, all petty cash expenditure was approved and VAT appropriately accounted for.	-	9	9	-	-	
Box G	Salaries to employees and allowances to members were paid in accordance with this authority's approvals, and PAYE and NI requirements were properly applied.	-	-	-	-	-	
Box H	Asset and investments registers were complete and accurate and properly maintained.	-	-	-	-	-	
Box I	Periodic bank account reconciliations were properly carried out during the year.	-	7	7	-	-	
Box J	Accounting statements prepared during the year were prepared on the correct accounting basis (receipts and payments or income and expenditure), agreed to the cash book, supported by an adequate audit trail from underlying records and where appropriate debtors and creditors were properly recorded.	-	2	2	-	-	
Box K	If the authority certified itself as exempt from a limited assurance review in 2024/25, it met the exemption criteria and correctly declared itself exempt. (If the authority had a limited assurance review of its 2024/25 AGAR tick "not covered")	-	-	-	-	-	
Box L	The authority published the required information on a website/webpage up to date at the time of the internal audit in accordance with the relevant legislation.	-	1	-	1	1	
Box M	The authority, during the previous year (2024/25) correctly provided for the period for the exercise of public rights as required by the Accounts and Audit Regulations (evidenced by the notice published on the website and/or authority approved minutes confirming the dates set).	-	5	5	-	-	
Box N	The authority has complied with the publication requirements for 2024/25 AGAR (see AGAR Page 1 Guidance Notes).	-	7	7	-	-	
Box O	(For local councils only) Trust funds (including charitable) – The council met its responsibilities as a trustee	-	-	-	-	-	
Totals		3	103	96	4	6	-

Item 20

Data Use and Access Act 2025

HOT TOPICS

WHAT THE DATA USE AND ACCESS ACT 2025 MEANS FOR CLERKS



Michael King, SLCC Head of Policy and External Communications, looks at what the legislation means for clerks and how to prepare.

The **Data Use and Access Act 2025 (DUAA)**, which passed into law on 19 June 2025, is the UK's latest update to data protection law, designed to make life easier for organisations while still safeguarding people's rights. For local councils in England and Wales, this means new opportunities to streamline processes, support innovation, and improve public services - all while staying compliant.

It doesn't replace existing laws like the UK GDPR, **Data Protection Act 2018**, or **Privacy and Electronic Communications Regulations (PECR)**. Instead, it amends them to reflect 2025's digital landscape. The changes are being phased in to **June 2026**, giving councils time to adapt. Its effect is to simplify and clarify what councils should already be doing.

Key changes that affect councils

- 1. Easier data sharing for public tasks:** You can now share personal data with organisations like the Police without needing to assess whether they need it for their public duties. The responsibility shifts to the requesting organisation.
- 2. Recognised legitimate interests:** A new lawful basis allows councils to process personal data for certain recognised legitimate interests - like public safety - without needing to balance the impact on individuals.
- 3. Subject access requests (SARs):** You're only required to make **reasonable and proportionate searches** for requests to access someone's own data. You can now also 'stop the clock' if you need clarification from the requester.
- 4. Cookie consent simplified:** Some cookies - for statistical analysis or improving website functionality - can now be set without user consent. This simplifies digital service delivery.
- 5. Support for scientific research:** clarifying when personal data can be used for research, and removing the need for some privacy notices.

- 6. Children's online services:** For online services likely to be used by children, you must explicitly consider their needs when handling personal data. If you already follow the Age-Appropriate Design Code, you're likely compliant.
- 7. Complaints handling:** Councils must now provide clear ways for people to complain about data use and respond within 30 days.

What you can do now

- Review your data sharing practices - especially with law enforcement and other public bodies.
- Update your SAR procedures to reflect the new standard.
- Work with your website provider to check cookie settings and website notices.
- Ensure children's data are handled appropriately for services affecting young users.
- Set up or improve your complaints process to meet the new requirements.

Help from the Information Commissioner's Office (ICO)

The ICO is updating its guidance and launching new tools to help organisations implement the DUAA. Through the ICO's website, you can sign up for its newsletters to stay informed.

In summary

The DUAA is a welcome refresh to data protection law, offering councils more flexibility and clarifying the 'lawful basis' test for processing personal data. While it introduces some new statutory provisions, it also removes unnecessary hurdles - making it easier for clerks to demonstrate councils serve their communities confidently and compliantly.

Full details and updates are available on the ICO's **DUAA guidance page**: <https://ico.org.uk/about-the-ico/what-we-do/legislation-we-cover/data-use-and-access-act-2025/the-data-use-and-access-act-2025-what-does-it-mean-for-organisations/>

Item 21

SAPPP and CIPFA Launch Joint Consultation on proper practices for small authorities



Invitation to comment: issues identified in the Practitioners' Guide

November 2025

Jointly published by the **Smaller Authorities Proper Practices Panel** with:



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Invitation to comment

1. Introduction

1. Smaller Authorities are defined in the [Local Audit and Accountability Act 2014](#) as relevant authorities whose income or expenditure (whichever is highest) does not exceed a specified limit for three consecutive years. This limit was raised from £6.5m to £15m for financial years starting after 1 April 2025.
2. Proper practices are the standards of governance and accounting that Smaller Authorities must follow. These standards are set out in legislation and are [mandatory for all Smaller Authorities](#).
3. The [Smaller Authorities' Proper Practices Panel](#) (SAPPP), formerly known as the Joint Panel on Accountability and Governance (JPAG), is responsible for issuing these standards annually in the form of the [Governance and Accountability for Smaller Authorities: Practitioners' Guide \(England\)](#) (The Guide).
4. As the current proper practices have been in place for ten years, SAPPP unanimously agreed that a full review was necessary. This was a good opportunity to reflect and update existing guidance to ensure it meets the demands of a 21st-century public sector.
5. SAPPP and [Smaller Authorities' Audit Appointments Ltd](#) (SAAA), the body responsible for appointing external auditors to Smaller Authorities, appointed the Chartered Institute of Public Finance and Accountancy (CIPFA) to carry out this critical review.
6. During the summer of 2025 CIPFA carried out a detailed evaluation of the Guide and provided SAPPP with a report detailing issues found. Several areas were identified where improvements could be made, which has formed the basis for this consultation.
7. This consultation, and subsequent update to the Guide, will feed into a review of the current Annual Governance and Accountability Return (AGAR) to ensure it is fit for purpose. The Government fully supports this review, led by SAPPP, in line with the commitment outlined in its response to the [Local Audit Reform Strategy and Consultation](#) to ensure that audit regimes support transparency and accountability in a proportionate way.
8. This review of the proper practices may lead to changes in the limited assurance review process, which could have implications for the associated charging structure.

2. The consultation process

9. This invitation to comment (ITC) sets out issues with the current guide and potential solutions anticipated to be included in the 2027/28 Guide, which will apply to accounting periods commencing after 1 April 2027.
10. Specific consultation questions have been included in the ITC. CIPFA/SAPPP also welcome general comments on the Guide.
11. Responses to this ITC will be considered part of the public record and may be included in analysis published on any or all of the core bodies' websites.

12. Once the consultation has closed, CIPFA will analyse the results and present the findings to SAPPP for comment. Based on this feedback, CIPFA will draft an updated Guide which will be subject to further consultation.
13. In order that comments be considered by CIPFA/SAPPP in time to inform possible implementation, responses are required by 5pm on 2 January 2026.
14. Please make responses by the [online survey](#).

Section A – Issues identified relating to accounting

3. Accounts production

3.1 Annual accounts

15. Smaller Authorities are funded primarily by public money. Being able to demonstrate how money is being spent helps build trust between public sector bodies and the community.
16. Sharing the financial records with the public helps them to scrutinise decisions ensuring they are made responsibly and ethically. It also helps the Government to understand the financial health of Smaller Authorities as well as ensuring that public funds, such as grants, are distributed fairly and used properly.
17. Currently, Smaller Authorities are required to complete an AGAR, which was intended to be a simpler alternative to full statutory accounts.
18. However, as the AGAR is a summary document, it does not provide the details of how balances were calculated. This can increase the risk that transactions may be omitted or incorrectly recorded.
19. The AGAR does not separately identify a lot of important details that are key to good financial reporting, such as current liabilities (debtors) and current assets (creditors), nor does it include details of the value of the assets held within the Smaller Authority.
20. The AGAR could include more details of the cost of delivering services to better understand an authority's transactions and activities.
21. Improved financial reporting would support the Government to better understand the scale and financial position of the sector, particularly in the context of ongoing local Government reorganisation. Additionally, this measure would help to strengthen public trust, improve oversight by external bodies (such as external auditors), and provide a clearer assessment of an authority's financial health and risk profile.
22. If Smaller Authorities choose to produce a full set of statutory accounts, the current Guide does not provide clear guidance on how this should be done.
23. It is however recognised that different sized Smaller Authorities have different financial transactions and risks. Therefore, it may be useful for the Guide to set out the levels of formal reporting required by different sized authorities to ensure reporting is proportionate to these risks and transactions.
24. Clerks and other officers within Smaller Authorities are not required to hold financial qualifications. The Guide should make it clear what must be done to produce

accurate financial statements that is both achievable and proportionate to the size of the Smaller Authority.

Annual accounts

- | | |
|----|---|
| Q1 | Does the AGAR provide you and your community with the information you want to know about your Smaller Authority? |
| Q2 | If you answered no to Q1, what additional information would be helpful? |
| Q3 | Should the AGAR show more detail of the cost of providing services and delivering activities for the local community particularly for larger Smaller Authorities? |
| Q4 | If you answered no to Q3, please provide details to support your answer. |
| Q5 | Should the guide provide Smaller Authorities with clearer guidance on how to recognise fixed assets in the financial statements? |
| Q6 | Do you have any other comments on this topic? |

3.2 Clarity on accounting methods

25. The current Guide lacks clear and consistent application of rules regarding the roles, responsibilities and appropriate accounting methods for different types of Smaller Authorities. This ambiguity leads to a range of issues, from incorrect declarations of exemption and non-compliance with reporting requirements, to an inaccurate reflection of an authority's financial position. This can undermine the reliability of financial reporting and increase the risk of errors in the AGAR.
26. Currently, under legislation, all Smaller Authorities can and should account for transactions on an income and expenditure basis. However, legislation allows for the smallest authorities to use receipts and payments. SAPP is considering sections in the new Guide that would be specifically adapted to either the receipts and payments basis or the income and expenditure basis, ensuring the guidance is both clear and directly applicable.
27. All of these changes will be underpinned by training to ensure that Clerks, RFOs and other officers are able to understand the tasks required of them.

Accounting methods

- Q7 Do you agree that the Guide should clarify the difference between the receipts and payments basis and the income and expenditure basis and if so how to use each one?
- Q8 Do you have any other comments on this topic?

3.3 Accounting records

28. Inadequate and incomplete accounting records remain a fundamental barrier to effective financial reporting and auditing across the sector. Where records are missing, poorly maintained or not reconciled, it becomes impossible to verify financial transactions, produce accurate financial statements, or ensure compliance with statutory requirements. This can result in qualified audit opinions and undermines public confidence in the financial management of Smaller Authorities.
29. The requirement to allow the public access to these records further strengthens the need for the Guide to be clear on what is required, where it should be held and for how long. The Guide should also detail what information must not be shared with the public, such as an individual's salary and other sensitive data.
30. To address this, the Guide needs to set out clearly the importance of maintaining complete and accurate records throughout the financial year.

Accounting records

- Q9 Do you agree that the Guide should include more details of what documents should be held as part of the accounting records as well as the length of time they should be kept for?
- Q10 Do you agree that the Guide should include details of what information can and cannot be shared with the public?
- Q11 Do you agree that any financial statements produced should be shared on the Smaller Authority's own website, or suitable alternative, to ensure that the public are able to view them?
- Q12 If you answered no to Q11, please provide details of where you would want the AGAR and other documents to be held.
- Q13 Do you have any other comments on this topic?

3.4 Financial governance and accountability

31. External auditors have observed that some Smaller Authorities do not adequately respond to issues raised in previous audit reports. This can result in repeated findings and undermines the purpose of the audit process, which is to improve governance and accountability.

32. To support better follow up on issues raised, SAPPP proposes that the existing requirements are strengthened.
33. SAPPP suggests that all internal and external audit reports should be reviewed by the full authority in a public meeting and that Smaller Authorities should be required to agree and publish an action plan to address any issues raised by these reports.

Financial governance and accountability

- | | |
|-----|--|
| Q14 | Do you agree that the Guide should include a requirement that the Internal Audit Report of the AGAR and the External Auditors' Certificate are to be reviewed at a public meeting of the full authority? |
| Q15 | Do you agree that any other internal audit reports must also be reviewed by the full authority at a public meeting? |
| Q16 | Should these reports be published on the authority's website or suitable alternative? |
| Q17 | Do you agree that a Smaller Authority must be required to agree and publish an action plan to address any concerns raised by internal or external auditors? |
| Q18 | Do you have any other comments on this topic? |

3.5 Training related to the accounts

34. Clerks and other officers within Smaller Authorities are not required to hold financial qualifications. Therefore, Clerks and other officers may need dedicated and tailored training to support their effective compliance with the proper practices as set out in the Guide.

Training related to the accounts

- | | |
|-----|--|
| Q19 | Do you agree that training should be provided to all Clerks and other officers that are required to complete the AGAR? |
| Q20 | Do you agree that training should be provided to all Clerks and officers that are required to undertake more detailed financial reporting? |
| Q21 | Do you have any other comments on this topic? |

4. Internal audit competency and training

4.1 Appointing an internal auditor

35. The Guide currently does not provide enough information and guidance on how a Smaller Authority should appoint its internal auditor. SAPPP suggests that the Guide should outline how to assess the competence and independence of an internal auditor before appointment. This will protect the independence of the internal auditor and safeguard the value of the assurances provided.

36. Internal auditors require specialised knowledge in areas such as risk management, professional ethics, control frameworks and compliance. Although individuals may have experience working within internal audit or finance roles in other sectors, there is a risk that they lack the understanding of specific governance requirements unique to Smaller Authorities.
37. SAPPP recognise that many Smaller Authorities may not have the capacity or resources to mandate the use of professional internal audit bodies. Therefore, as a first step, we believe any approach should be proportionate to the size and circumstances of the authority.
38. Many Smaller Authorities can declare themselves to be 'exempt'; this means that their external auditor has no authority to complete a review, unless the Smaller Authority requests one. However, these Smaller Authorities must have an internal audit. Therefore, for exempt Smaller Authorities, internal audit becomes a more important check of an authority's governance and accountability, increasing the need for the Smaller Authority to appoint an appropriate person to complete this task.

Internal audit competency requirements

- | | |
|-----|---|
| Q22 | Do you agree that the Guide should mandate that internal audits be conducted by appropriately trained experienced professionals that understand both professional ethics and the unique characteristics of Smaller Authorities? |
| Q23 | If you answered no to Q24, please provide details to support your response. |
| Q24 | As all Smaller Authorities face different levels of risk, would you agree that a proportionate approach to the provision/undertaking of internal audit be detailed within the Guide? |
| Q25 | Do you agree that the Guide should outline that larger Smaller Authorities must appoint an internal auditor that is a member of a recognised membership body and/or holds a relevant qualification? |
| Q26 | Do you have any other comments on this topic? |

4.2 Training for internal auditors

39. SAPPP is keen to support the improvement of internal audit for Smaller Authorities. This could include specifying the areas of training that internal auditors should undertake before conducting internal audits for Smaller Authorities.
40. Internal audit tests may involve access to sensitive or confidential information, such as customer debt records or salary information. Without appropriate training and experience, including an understanding of professional ethics, there is a significant risk that internal audits may be conducted by individuals are not competent to conduct an accurate and complete internal audit, resulting ultimately in poor assurance for the Smaller Authority.

Training on internal auditors

- | | |
|-----|---|
| Q27 | Should SAPPP specify areas of training for internal auditors, including the handling of sensitive and confidential information? |
| Q28 | Do you have any other comments on this topic? |

Section B – Other issues identified

5. The Practitioners' Guide

5.1 Structure of the Guide

41. It is important to SAPPP that the Guide is accessible to all and easy to use. SAPPP would welcome your feedback on whether there are any areas in the Guide that you find difficult to understand, find, follow or apply.

Structure of the Guide

- | | |
|-----|---|
| Q29 | Do find the Guide easy to navigate? |
| Q30 | If you answered no to question Q29, what could be changed in the Guide to make it clearer? |
| Q31 | Do you understanding the language used within the Guide? |
| Q32 | If you answered no to question Q31, how can it be improved? |
| Q33 | Should the Guide include a dedicated section providing guidance specifically for parish meetings? |
| Q34 | Do you have any other comments on the Guide? |

5.2 Training for Clerks and other officers

Training on the other areas in the Guide

- | | |
|-----|--|
| Q35 | Would you benefit from training to help you to understand the requirements of the Guide? |
| Q36 | If so, are there any areas in particular where you would benefit from training? |
| Q37 | Do you have any other comments on this topic? |

Section C – Any other comments

42. Thank you for taking part in this consultation. SAPPP would welcome any other comments that you would like to make on the proper practices, the Guide and the AGAR forms.

Any other comments

- | | |
|-----|--|
| Q38 | Do you have any other comments, concerns or issues that you would like SAPPP to consider when reviewing the Guide? |
|-----|--|

Item 22a

CCLA Public Sector Deposit Fund Investment – Statement October 2025

Statement of Account

Ms Gina Wilding
Ludlow Town Council
The Guidhall
Mill Street
LUDLOW
Shropshire
SY8 1AZ

5 November 2025

Account name: **LUDLOW TOWN COUNCIL**
Account number: **PS3078701-001**
Statement period: **30/09/2025 to 31/10/2025**

Account summary

Total valuation as at 31 October 2025	£1,950,181.41
Total valuation as at last statement at 30 September 2025	£1,991,760.94

Holdings as at 31 October 2025

Fund name	Unit/share holdings	Price per unit/share	Value
Public Sector Deposit Fund SC4 - Public Sector GB00B3LDFH01	1,950,181.4100	£1.00	£1,950,181.41
			Total value
			£1,950,181.41

Transactions for the period from 30 September 2025 to 31 October 2025

Public Sector Deposit Fund SC4 - Public Sector

Transaction date	Transaction type	Unit/shares	Price per unit/share	Amount (GBP)
02/10/2025	Income Reinvestment	3,829.3400	£1.0000	£3,829.34
06/10/2025	Withdrawal	-45,408.8700	£1.0000	-£45,408.87

Correspondence address: PO Box 12892, Dunmow, Essex CM6 9DL

clientservices@ccla.co.uk

Freephone 0800 022 3505

www.ccla.co.uk

Fund documentation is available at www.ccla.co.uk/investments, or may be requested from our Client Services team. Telephone calls are recorded.
CCLA Investment Management Limited (registered in England & Wales, No. 2183088) is authorised and regulated by the Financial Conduct Authority.
Registered address: One Angel Lane, London EC4R 3AB.

The average Fund yield for this period was 4.01% p.a.

Income for the period is as follows:

Month	Date paid	Method	Amount (£)	Destination
Oct 2025	04/11/2025	Reinvestment	£6,660.76	PS3078701-001

All CCLA forms are available on our website: **www.ccla.co.uk/resources/client-documentation**. Please ensure that you download and use the latest available form to make any transaction or amendment. Using an old form will result in the instruction being rejected.

Before making any additional investments into CCLA funds, please read the most recent version of the relevant fund's key information document (KID). KIDs can help investors understand the nature, risks, costs, potential gains and potential losses of fund, and compare the fund with other products. The KIDs for our funds are available in the investments section of our website at, www.ccla.co.uk. Or, you can ask us to send you copies, free of charge, by emailing our Client Services team at clientservices@ccla.co.uk.

Please keep all documents (including this statement) safe as you may need to refer to the information in the future.

If you would like to discuss any of the information on your statement please contact Client Services.

A glossary of terms used in this communication is available on **www.ccla.co.uk/glossary**. If you would like the information in an alternative format or have any queries, please call us on **0800 022 3505** or email us at **clientservices@ccla.co.uk**.

Item 22b

CCLA Public Sector Deposit Fund Investment – Sell Share Funds Transfer

Redemption contract note

Ms Gina Wilding
Ludlow Town Council
The Guidhall
Mill Street
LUDLOW
Shropshire
SY8 1AZ

10 November 2025

Account name: **LUDLOW TOWN COUNCIL**
Account number: **PS3078701-001**

Redemption transaction details

Contract reference	8211055
Order date and time	7 Nov 2025 15:27:00
Valuation date and time	10 Nov 2025 11:30:00
Settlement date	10 November 2025
Fund name	Public Sector Deposit Fund SC4 - Public Sector
International Securities Identification Number (ISIN)	GB00B3LDFH01
Name/designation	LUDLOW TOWN COUNCIL
Order type	Value
Number of units/shares	32,917.260
Value	£32,917.26
Unit/share price	100 pence

Please retain this document for future reference as evidence of the transaction(s) stated above. Proceeds of sales will be paid within two working days.

We wish to maintain up-to-date records of your account. Should there be any changes to your account details, please contact Client Services.

If you have requested to close this account, any outstanding Interest or dividends will be paid to the nominated bank account at the fund's next distribution payment date.

Correspondence address: PO Box 12892, Dunmow, Essex CM6 9DL

clientservices@ccla.co.uk

Freephone 0800 022 3505

www.ccla.co.uk

Fund documentation is available at www.ccla.co.uk/investments, or may be requested from our Client Services team. Telephone calls are recorded.
CCLA Investment Management Limited (registered in England & Wales, No. 2183088) is authorised and regulated by the Financial Conduct Authority.
Registered address: One Angel Lane, London EC4R 3AB.

Item 23

Barclays Bank

Barclays

Jan-23	£1,020,124.54
Feb-23	£1,014,877.24
Mar-23	£762,209.02
Apr-23	£1,484,271.19
May-23	£1,450,580.58
Jun-23	£1,410,193.08
Jul-23	£1,360,229.12
Aug-23	£1,336,804.06
Sep-23	£1,239,528.39
Oct-23	£1,213,724.52
Nov-23	£1,148,123.00
Dec-23	£1,066,173.23
Jan-24	£1,010,871.07
Feb-24	£973,508.17
Mar-24	£904,437.34
Apr-24	£1,706,780.75
May-24	£1,655,915.64
Jun-24	£1,612,898.72
Jul-24	£1,573,804.92
Aug-24	£1,527,072.54
Sep-24	£1,477,286.70
Oct-24	£1,446,303.73
Nov-24	£1,393,091.10
Dec-24	£1,320,412.39
Jan-25	£1,241,828.95
Feb-25	£676,721.72
Mar-25	£628,162.28
Apr-25	£1,517,846.24
May-25	£1,486,004.54
Jun-25	£1,429,481.09
Jul-25	£1,395,874.23
Aug-25	£1,340,217.84
Sep-25	£129,332.26
Oct-25	£102,484.19

Item 24

Cash Flow Management

17/11/2025

Ludlow Town Council 2023/24

16:04

Receipts and Payments Summary - Cashbook 1

Barclays Combined

Current Month is: 12

	<u>Receipt Totals</u>	<u>Payment Totals</u>
Month 1	797,147.99	75,085.82
Month 2	70,215.44	103,682.05
Month 3	34,254.70	75,007.20
Month 4	30,254.32	80,074.28
Month 5	34,990.52	58,378.58
Month 6	37,617.71	134,929.50
Month 7	38,813.95	64,543.82
Month 8	36,313.57	101,982.97
Month 9	21,154.93	103,088.70
Month 10	34,160.42	89,466.58
Month 11	19,361.74	56,716.64
Month 12	32,357.68	101,458.51

Total Receipts / Payments	1,186,642.97	1,044,414.65	Closing Trial Balance
Opening Balance	762,209.02		
Closing Balance		904,437.34	904,437.34
	<u>1,948,851.99</u>	<u>1,948,851.99</u>	

	<u>Receipt Totals</u>	<u>Payment Totals</u>	
Month 1	862,970.27	60,526.86	
Month 2	34,289.24	85,148.35	
Month 3	36,110.87	82,306.99	
Month 4	39,942.54	75,847.14	
Month 5	44,842.06	91,676.44	
Month 6	51,353.73	101,101.57	
Month 7	28,705.06	59,704.03	
Month 8	29,757.31	83,039.94	
Month 9	28,459.64	99,952.35	
Month 10	21,873.39	101,586.83	
Month 11	29,130.19	594,231.42	
Month 12	27,846.39	76,433.83	
Total Receipts / Payments	1,235,280.69	1,511,555.75	Closing Trial Balance
Opening Balance	904,437.34		
Closing Balance		628,162.28	628,162.28
	<u>2,139,718.03</u>	<u>2,139,718.03</u>	

17/11/2025

Ludlow Town Council Current Year - 2025-26

16:01

Receipts and Payments Summary - Cashbook 1

Barclays Combined Months 1-8

Current Month is: 7

	<u>Receipt Totals</u>	<u>Payment Totals</u>	
Month 1	976,025.82	86,265.86	
Month 2	51,295.18	83,112.88	
Month 3	37,907.88	94,323.33	
Month 4	37,119.24	70,874.10	
Month 5	48,445.79	130,512.73	
Month 6	52,163.88	1,236,562.91	
Month 7	25.00	31,248.21	
Total Receipts / Payments	1,202,982.79	1,732,900.02	Closing Trial Balance
Opening Balance	628,162.28		
Closing Balance		98,245.05	98,245.05
	<u>1,831,145.07</u>	<u>1,831,145.07</u>	

Item 25

Mayor and Deputy Mayor Events

MAYOR'S CIVIC EVENTS AUGUST – OCTOBER 2025

Date	Event	Venue	Invitation From
1st August	Official Opening of Inclusion Hub Craven Arms	Inclusion Hub	Inclusion Hub
6th August	Update on Sandpits Scheme	Connexus, The Auction Yard, Craven Arms	Connexus
15th August	VJ Day 80th Anniversary Ceremony	Peace Memorial	Ludlow Town Council
15th August	Remembering VJ Day Evening	Ludlow Castle	Ludlow Town Council
3rd September	Merchant Navy Day Flag Flying Ceremony	Wyre Forest House	Wyre Forest District Council
18th September	Mayor's Charity Market	Ludlow Market	Ludlow Town Council
19th September	Shrewsbury Mayor's Charity Event – Fizz and Canapes in the Dingle	The Quarry, Shrewsbury	Shrewsbury Town Council
23rd September	Draw raffle for tapestry panel at Ludlow Quilting Group AGM	St Peter's Parish Hall, Ludlow	Ludlow Quilting Group

26th September	Mayor of Bewdley Quiz Night	St George's Hall, Bewdley	Bewdley Town Council
28th September	Parade and Service of Commemoration for the 85th Anniversary of the Battle of Britain	St Mary's Church, Ross on Wye	Royal Air Force
2nd October	Mayor's Charity Curry Night	Shapla Indian Restaurant	Mayor of Ludlow
10th October	Wyre Forest Musical Evening	St George's Social Club, Kidderminster	Chairman of Wyre Forest District Council
18th October	Shrewsbury Repair Café "Big Fix"		Shrewsbury Repair Cafe
21st October	Opening of the Blue Boar Pub	The Blue Boar	The Blue Boar
26th October	Leominster Civic Service		

DEPUTY MAYOR'S CIVIC EVENTS AUGUST – OCTOBER
2025

Date	Event	Venue	Invitation From
15th August	Flag Flying Ceremony to honour VJ Day	Wyre Forest House	Wyre Forest District Council
15th August	Remembering VJ Day - Evening	Ludlow Castle	Ludlow Town Council
3rd September	Merchant Navy Day Flag Flying Ceremony	Wyre Forest House	Wyre Forest District Council
6th September	Stourport Carnival	Riverside Meadows, Stourport	Stourport Town Council
12th September	Droitwich Spa Quiz Night	St Andrews Hotel, Droitwich Spa	Mayor of Droitwich
10th October	Wyre Forest Musical Evening	St George's Social Club, Kidderminster	Chairman of Wyre Forest District Council