



TO ALL MEMBERS OF THE FINANCE & GOVERNANCE COMMITTEE

Cllr M Deacon (Chairman)
Cllr D Rowe (Vice Chairman)
Cllr D Aitchison
Cllr S Bird
Cllr S Bennett

Cllr M James
Cllr M Sharman
Cllr S Wiles
Cllr W Underwood

You are hereby summoned to attend a meeting of the **FINANCE & GOVERNANCE COMMITTEE** to be held at **TOWN HALL, FELIXSTOWE** on **Wednesday 4 June 2025** at **7.30pm** for the transaction of the following business:

Public Attendance

Meetings of the Town Council and its Committees are open to the press and public who are welcome to attend. Members of the public are invited to make representations or put questions to the Committee during the public session.

There is a limit to the number of public attending in-person. If you wish to attend in person, please email townclerk@felixstowe.gov.uk to confirm capacity.

Members of the public are very welcome join via Zoom using the following link: <https://us02web.zoom.us/j/83090518311> .

Alternatively, you may join via the meeting ID 830 9051 8311 or over the telephone by calling 0131 460 1196

Our online meeting guidance can be found here: <https://felixstowe.gov.uk/wp-content/uploads/2022/02/Remote-Meeting-Guidelines.pdf>

Council has a duty to pay due regard to preventing crime and disorder and to conserve biodiversity in its decision-making and Members are reminded to consider the Council's commitment to climate action.



The Council kindly asks that anyone planning to attend the meeting in-person to consider car-sharing or low-carbon modes of transport to the Town Hall.

Ash Tadjrishi
Town Clerk
29 May 2025

A G E N D A

- 1. Public Question Time**
Up to 15 minutes is set aside to allow members of the public (up to three minutes each) to make representations or put questions to the Committee on any relevant matters.
- 2. Apologies for Absence**
To receive any apologies for absence.
- 3. Declarations of Interest**
To receive any declarations of interest and to consider requests for dispensations from Members on matters in which they have a disclosable pecuniary interest, other registerable or non-registerable interest.
- 4. Confirmation of Minutes**
To confirm the Minutes of the Finance & Governance Committee meeting held on 19 March 2025 as a true record. **(Pages 4-8)**
- 5. Internal Audit Report: Full Year 2024/25**
To receive the Full Year Internal Audit report for 2024/25
(Page 9 & Appendix A)
- 6. Review of Internal Audit Effectiveness**
To review the effectiveness of Council's appointed Internal Auditor and make any recommendations to Council. **(Pages 10-11)**
- 7. Annual Governance Statement and Annual Return 2024-25**
To consider the Accounts, Annual Governance Statement and Annual Return for 2024-25 for onward referral to Council. **(Page 12 & Appendix B)**
- 8. Annual Report 2024-25**
To receive, and recommend to Council, the Annual Report of the Town Council for the Municipal Year 2024-25. **(Page 12 & Report to follow)**
- 9. Budget Monitoring to 30 April 2025**
To receive budget monitoring report to 30 April 2025 and consider any actions deemed necessary. **(Pages 13-15 & Appendix C)**
- 10. Quarterly Bank Reconciliation**
To note that the appointed Councillor confirmed the reconciliation between the actual bank statement and Scribe accounts for the period 1 April 2024 – 31 March 2025. **(Verbal confirmation)**
- 11. Council Investments**
To note the proceeds and consider the re-investment of a 1 year fixed-rate bond with Close Brothers. **(Pages 16-17)**
- 12. Statement of Internal Control 2025/26**
To review the Council's Statement of Internal Control and make any recommendations to Council. **(Page 18 & Appendix D)**

13. Action Plan Review

To review the Action Plan linked to the Business Plan 2024–28.

(Page 19 & Appendix E)

14. Exclusion of Press and Public

In accord with the Public Bodies (Admissions to Meetings) Act 1960 s.1 (2), in view of the confidential nature of the business about to be transacted, it is advisable in the public interest that the press and public be temporarily excluded and they be instructed to withdraw.

15. Update on Debtor

To receive a verbal update on recent application for a Warrant of Control.

16. Closure

To close proceedings and confirm the date of the next meeting scheduled for Wednesday 15 October 2025 at 7.30pm.

AGENDA ITEM 4: CONFIRMATION OF MINUTES

**MINUTES of the FINANCE & GOVERNANCE COMMITTEE meeting held at
Town Hall, Felixstowe on Wednesday 19 March 2025 at 7.30pm**

PRESENT: Cllr D Rowe (Vice-Chairman *in the chair*) Cllr M James
 Cllr D Aitchison Cllr M Sharman
 Cllr S Bird Cllr W Underwood

OFFICERS: Mr A Tadjrishi (Town Clerk)
 Mrs D Frost (Deputy Town Clerk)
 Mr S Congi (Finance Administration Assistant)

458. PUBLIC QUESTION TIME

There was none.

459. APOLOGIES FOR ABSENCE

Apologies for absence were received from **Cllr M Deacon (Chairman)**, **Cllr S Bennett** and **Cllr S Wiles**.

460. DECLARATIONS OF INTEREST

The following Interests, to which no matters on the agenda were directly related, were noted:

Member(s)	Minute No.	Nature of Interest
Cllr S Bird	All	Disclosable Pecuniary Interest and Other registerable interest (as a Member of Suffolk County Council)

Members were advised that, should any other matters arise in the meeting that directly relate to any of their interests, they should make appropriate declarations at that time.

461. CONFIRMATION OF MINUTES

It was RESOLVED that the Minutes of the Finance & Governance Committee Meeting held on 15 January 2025 be signed by the Vice-Chairman as a true record.

462. BUDGET MONITORING TO 28 FEBRUARY 2025

Committee received the budget monitoring report to 28 February 2025, which highlighted variances exceeding 10% or £500 against budget estimates.

RESOLVED that the budget monitoring report to 28 February 2025 be noted.

463. INVOICING PROCEDURE REVIEW

Committee reviewed current procedures for chasing outstanding invoices and the current list of debtors.

It was agreed that the current 30 day payment term be reduced to 28 days and that the Finance Administration Assistant reviews invoices weekly and for those exceeding 35 days, refers them to the relevant officer who originally liaised with the client. A reminder and duplicate invoice are sent at this stage, following confirmation of the correct email address by phone.

Invoices more than one month overdue are then escalated to the Clerk and Deputy Clerk. All invoices are sent via the Scribe system, which tracks when they are issued and received.

Members considered the introduction of late payment fees. The Clerk will look into the legalities of this.

It was RESOLVED that :

- i. the current procedures for chasing outstanding invoices be amended as above; and,**
- ii. the list of debtors be noted; and,**
- iii. the Clerk will look into the legalities of introducing late payment fees.**

464. COMMUNITY INFRASTRUCTURE LEVY UPDATE

Committee noted that £100,000 towards the play area had been paid to East Suffolk Council and the tender process has been completed, the designs will be announced soon. Procurement for the play areas will be completed after the consultation feedback. The gates at Allenby Park were in the process of being refurbished and up to £15,000 would be funded from CIL for these. £30,000 has also been ring-fenced towards the Level 2 Music and Entertainment Centre at Beach Street. This project is still awaiting planning permission.

With these projects being funded from CIL it, the next funds, currently in Earmarked Reserves, does not need to be spent until October 2027.

Members received a short update on the Cemetery extension project.

A member brought up the subject of litter bins, after a discussion at the earlier Public Realm meeting that evening. Litter bins will be brought to the next CIL Working Group meeting.

It was RESOLVED that :

- i. the CIL Working Group update report be noted; and,**
- ii. litter bins be brought to the next CIL Working Group Meeting.**

465. INSURANCE REVIEW

Committee considered the report on a new three year Long Term Agreement to start on 1 April 2025.

There are not many insurance companies who specialise in council insurance, and despite contacting 3 other companies, Zurich remains the only viable option. Two other companies could not offer a competitive quote, and the third company was twice as high as Zurich. Zurich reduced their quote upon learning that attempts had been made by us to seek business elsewhere.

While their quote will leave us overbudget, this has already been reported to Full Council. Committee was also made aware Cyber Insurance was not offered by Zurich.

Committee discussed the quotes for Cyber Insurance and agreed to insure for £500,000 cover with Gallagher Insurance.

It was RESOLVED that:

- i. A 3 year Long Term Agreement (LTA) is taken out with Zurich; and,**
- ii. £500,000 Cyber Insurance cover is taken out with Gallagher Insurance for the year 1 April 2025 – 31 March 2026..**

466. TERMS OF REFERENCE 2025/26

Committee was informed the revised Terms of Reference includes the three Occasional Grant Rounds, as opposed to two from previous years.

There was also a revision to the Appeals committee to reflect If called, the Appeals Committee shall sit with three of the five Members. Should any Members of the Appeals Committee have an interest in any matters to be considered, they should be recused from sitting on the committee for those relevant meetings.

It was RESOLVED that the Terms of Reference for 2025/26 be recommended to Annual Council for adoption as presented.

467. STANDING ORDERS 2025/26

Committee considered no changes proposed to the new standing orders. The Chairman expressed concern over the procedures for calling an extraordinary

meeting. The Clerk suggested adding an explanatory note explaining in normal circumstances, notice will be given.

It was RESOLVED that Standing Orders for 2025/26 be recommended to Annual Council meeting for adoption with an explanatory note explaining in normal circumstance, notice will be given on arranging an extraordinary meeting.

468. FINANCIAL REGULATIONS 2025/26

Committee reviewed the Council's Financial Regulations for 2025/26 updated from NALC's most recent model. In accordance with Regulation 6.8, Committee reviewed the continued use of BACS.

It was RESOLVED that:

- i. the Financial Regulations for 2025/26 be recommended to the Annual Council meeting for adoption as presented; and,**
- ii. the continued use of BACS also be recommended to Council.**

469. RISK MANAGEMENT POLICY & FINANCIAL RISK REGISTER

Committee considered Council's Risk Management Policy and Financial Risk Register for 2025/26.

It was RESOLVED that the Risk Management Policy and Financial Risk Register be recommended to the Annual Council meeting for adoption as presented.

470. COMPLAINTS PROCEDURE 2025/26

Committee reviewed the Council's Complaints Procedure for 2025/26.

Members were advised that one of the main recommended changes was to allow complaints to be resolved through a formal written response from an appropriate officer, with a right of appeal, rather than being referred immediately to the Appeals Committee. This step was incorporated into the revised Complaints Procedure.

It was also suggested that the words "as may be" be added to paragraph 7 to clarify that either the Town Clerk or the Mayor may acknowledge receipt of a complaint, depending on who received it.

An amendment was also made that it will be confirmed in writing within 7 working days, together with details to suggest any *necessary* action to be taken.

It was RESOLVED that Council's Complaints Procedure be recommended to Annual Council for adoption in 2025/26.

471. PUBLICATION SCHEME 2025/26

Committee reviewed the Publication Scheme based on the Information Commissioner's Office (ICO) model publication scheme, and the schedule of information available from Felixstowe Town Council.

RESOLVED that the ICO model publication scheme be recommended to Annual Council for re-adoption without change for 2025/26.

472. UPDATE ON PARISH BASIC ALLOWANCES

Committee received an update following the publication of the Independent Remuneration Panel's (IRP) latest report, which, for the first time, includes specific recommendations on Parish Basic Allowances (PBAs) for town and parish councils within East Suffolk. These recommendations are intended to provide a framework for any council considering the introduction of a basic allowance for elected members.

Members noted that Felixstowe Town Council has historically chosen not to provide any form of allowance, and the 2025/26 budget has been set on that basis. However, the IRP's recommendation that PBAs may be set at a percentage of the East Suffolk Council basic allowance provides a useful point of reference. Based on population, Felixstowe would likely fall within the 3% band.

It was noted that while there is no intention to introduce allowances at this stage, the Council now has a clear framework to refer to should it wish to consider the matter in future. Committee agreed that there would be an opportunity to review the provision of Members' allowances during the 2025/26 financial year, in advance of setting the 2026/27 budget.

It was RESOLVED that:

- i. The Parish Basic Allowance recommendations in the Independent Remuneration Panel's report be noted; and,**
- ii. the provision of a Members' allowance is considered during the 2025/26 year, in advance of setting the budget for the year 2026/27.**

473. CLOSURE

The meeting was closed at 8.44pm. The next meeting was noted as being scheduled for Wednesday 4 June 2025 at 7.30pm.

AGENDA ITEM 5: INTERNAL AUDIT REPORT: FULL YEAR 2024/25

The final Internal Audit for the year ending 31 March 2025 took place on Tuesday, 15 May 2025. The purpose of internal audit is to review, appraise and report on the adequacy of internal control systems in place across the Council.

Following its consideration by the Finance & Governance Committee, the Internal Audit Report (**Appendix A**) is to be formally reviewed and received by full Council.

There were no formal recommendations arising from the audit.

Committee is requested to review the Internal Audit Report for 2024/25 and make any recommendations to Council as appropriate.

AGENDA ITEM 6: REVIEW OF INTERNAL AUDIT EFFECTIVENESS

The purpose of internal audit is to provide independent assurance that the systems of financial and other controls over a council's activities and operations are effective.

The Suffolk Association of Local Councils (SALC) has provided internal audit services to the Town Council since December 2012.

Following the Committee's recommendation last year (*Minute #41 2024/25 refers*), SALC was asked to provide a different internal auditor for each half-yearly audit. Mr Colin Poole had been the Council's regular auditor since October 2015. Ms Victoria Waples, Parish Clerk of Thurston Town Council, has carried out the most recent year-end internal audits, and the mid-year audit for 2024/25 was conducted in October 2024 by Ms Julie Lawes, Parish Clerk at Capel St Mary.

As part of the Annual Governance and Accountability Return (AGAR) process, local councils are required to review the effectiveness of internal audit at least once a year, in accordance with proper practices. This forms part of the assurance needed when completing the Annual Governance Statement. This item will be referred to the next Ordinary Council meeting.

Review of Effectiveness of Internal Audit

The *Governance and Accountability for Smaller Authorities in England – a Practitioner's Guide* (2024 edition) advises that the review should be designed to assure the authority that it has maintained the standards of an adequate and effective internal audit of its risk management, control and governance processes. It should include, as a minimum, an assessment of the following:

- the scope of internal audit;
- independence;
- competence;
- relationships with the Clerk and the authority; and
- audit planning and reporting.

The Council must also satisfy itself that the internal audit service provides reliable assurance on internal controls and risk management.

The following assessment is provided to assist Committee in reviewing the effectiveness of Felixstowe Town Council's internal audit arrangements:

Scope of Internal Audit:

The Council determines the scope and extent of its internal audit, ensuring it is proportionate to the Council's size and responsibilities. The internal audit service provided by SALC reflects the recommended areas of coverage outlined in the Practitioner's Guide.

Independence:

Internal auditors must be independent of the Council's financial decision-making and management. Mr Poole, Ms Waples and Ms Lawes have no involvement in the Council's financial controls, procedures or decision-making processes.

Competence:

All three auditors have significant experience in auditing town and parish councils, having conducted internal audits on behalf of SALC across Suffolk. Their qualifications and familiarity with local council procedures meet the competency requirements set out in the Practitioner's Guide.

Relationships with the Clerk and the Authority:

None of the auditors has any personal, professional or financial relationships with members of the Council or its staff. They are independent of the authority and have access to raise any concerns directly with Council if necessary.

Audit Planning and Reporting:

In addition to completing the internal audit section of the AGAR, the auditor produces a separate detailed report after each audit. These are presented to the Finance & Governance Committee, with any recommendations considered and, where necessary, actions reported to Council.

During 2024/25, the Council's internal audit was carried out twice – in October 2024 (mid-year) and May 2025 (year-end).

Internal Audit Effectiveness Review Checklist (2024/25)

Criterion	Assessment	Met?
Scope of Internal Audit	Internal audit covers all expected areas per Practitioner's Guide. Audit work is proportionate to the size and responsibilities of the Council.	<input checked="" type="checkbox"/> Yes
Independence	Auditors have no involvement in financial decision-making or management. No conflicts of interest identified.	<input checked="" type="checkbox"/> Yes
Competence	Auditors have extensive experience auditing parish councils. Appointed via SALC with professional credibility.	<input checked="" type="checkbox"/> Yes
Relationships with Clerk/Council	Auditors are not related to, nor associated with, any Member, Clerk, or staff. Clear access to Council if concerns arise.	<input checked="" type="checkbox"/> Yes
Audit Planning and Reporting	Audit follows agreed schedule. AGAR and individual reports provided. Reports considered by Committee with clear follow-up actions.	<input checked="" type="checkbox"/> Yes
Assurance Provided	Internal audit reports provide reliable assurance on internal controls and risk management.	<input checked="" type="checkbox"/> Yes

Internal audit arrangements in 2024/25 meet all recommended standards of effectiveness. Committee may wish to recommend continuation of current arrangements for 2025/26.

Committee is requested to review the effectiveness of the internal audit arrangements and recommend appropriate provisions for 2025/26 to Council.

AGENDA ITEM 7: ANNUAL GOVERNANCE STATEMENT AND ACCOUNTABILITY RETURN FOR 2024/25

The Annual Governance and Accountability Return (AGAR) for the financial year 2024/25 has been prepared for submission to Council and is presented at **Appendix B**.

The Council's year-end internal audit was carried out on 15 April 2025. There were no matters arising requiring an action plan to accompany the submission of the AGAR to the External Auditor. The Internal Auditor has completed and signed Page 3 of the Return, confirming that all internal control objectives have been met.

Committee is requested to receive the Annual Governance and Accountability Return for 2024/25 and recommend its approval to Council at the meeting scheduled for 18 June 2025.

AGENDA ITEM 8: 2024/25 ANNUAL REPORT

The draft Annual Report for 2024/25 will be circulated prior to the meeting for review. The report highlights the Council's work over the past municipal year.

Committee is requested to review, and recommend to Council, the Annual Report of the Town Council for the Municipal Year 2024-25.

AGENDA ITEM 9: BUDGET MONITORING TO 30 APRIL 2025

A summary Income & Expenditure Report to 30 April 2025 is shown below with a detailed breakdown provided in the report at **Appendix C**.

1 April - 30 April 2025 (2025 - 2026)

Felixstowe Town Council **Summary of Receipts and Payments** **Summary - All Cost Centres**

Cost Centre	Receipts				Payments			
	Budgeted	Actual	Variance	% Received	Budgeted	Actual	Variance	% Spent
101 Administration	637,129.00	453,101.34	-184,028	71.12%	378,822.00	41,355.52	337,466	10.92%
201 Town Hall	23,500.00	8,564.97	-14,935	36.45%	97,638.00	4,829.59	92,808	4.95%
202 Walton	15,000.00	1,359.39	-13,641	9.06%	16,438.00	1,399.82	15,038	8.52%
203 Broadway House	2,800.00	0.00	-2,800	0.00%	13,578.00	1,061.57	12,516	7.82%
204 Cemetery	72,600.00	14,866.00	-57,734	20.48%	198,145.00	16,025.81	182,119	8.09%
205 Allotment	19,500.00	122.00	-19,378	0.63%	44,184.00	3,178.37	41,006	7.19%
206 Parks & Recreation	0.00	0.00	0	N/A	43,684.00	4,933.82	38,750	11.29%
301 Civic & Community	0.00	0.00	0	N/A	34,480.00	10,729.00	23,751	31.12%
302 Grants	0.00	0.00	0	N/A	56,992.00	15,992.00	41,000	28.06%
303 Felixstowe in Flower	6,000.00	100.00	-5,900	1.67%	9,250.00	9.71	9,240	0.10%
304 Communication	8,000.00	1,527.50	-6,473	19.09%	20,356.00	0.00	20,356	0.00%
305 Community Projects	0.00	0.00	0	N/A	11,000.00	11,000.00	1,000	100.00%
NET TOTAL	784,529.00	479,641.20	-304,887.80	61.14%	924,567.00	110,515.21	814,051.79	11.95%

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In accordance with Council's Financial Regulations, Committee is to receive explanations of Material Variances for expenditure in excess of the estimated budget of 10% or £500, whichever is the lesser. As the Council's budgets are not produced on a phased basis, the expectation is, being one month in to the year, for overall expenditure to be around 8.3%, with an explanation for any items overspent by £500 or 10% or over this level (i.e. 9.2%). Total expenditure for the first month stood at 11.6%, as several items are full-year payments made at the beginning of the financial year, for example Subscriptions (82%), Insurance (100%), and some of the software licences within the IT Software code (18%).

Explanatory notes and any recommended action for individual qualifying items in **Appendix C** are shown below.

Cost Centre 101 – Administration
1805 Bank Interest Received (3%) Close Brothers Interest not yet received Recommendation: No action.
4460 Subscriptions (26%) Full-year payments made at the beginning of the financial year – SALC & ICCM subscriptions paid thus far. Recommendation: No action.

4464 Insurance (110%) Full-year payments made at the beginning of the financial year. Added provision for Cyber Insurance Recommendation: No action.
4481 IT Maintenance & Software (17%) Full-year payments made at the beginning of the financial year – Scribe Accounting Software Recommendation: Continue to monitor on a monthly basis
Cost Centre 201 – Town Hall
1000 Hirings (6%) Awaiting £228 (1%) outstanding Recommendation: No action.
4120 Gas (12%) Continue to monitor on a monthly basis Recommendation: No action.
4260 Equipment Purchases (25%) Projector cables & new cleaning equipment Recommendation: Continue to monitor
Cost Centre 202 – Walton Community Hall
4111 Rates (12%) Rates are paid over 10 months only. Recommendation: No further action
Cost Centre 203 – Broadway House
1030 Leases, Rents & Licences (0.0%) Annual receipt to be invoiced in July. Recommendation: No further action.
Cost Centre 204 – Cemetery
4032 Training (18%) April Training course - RB Recommendation: No further action
4112 Rates (12%) Rates are paid over 10 months only. Recommendation: No further action
4124 Electricity (11%) Electric van and tools charging Recommendation: Continue to monitor on a monthly basis
4262 Equipment Purchases (14%) Work clothes & Spray Applicator Recommendation: Continue to monitor on a monthly basis.
4300 Vehicle Running Costs (15%) Some costs are front loaded e.g. Vehicle Tax & MOT paid for the year. Recommendation: Continue to monitor on a monthly basis.
4320 Vehicle Tools Hire (15%) Digger Hires Recommendation: Continue to monitor on a monthly basis.

1032 Mobile Phone Mast (0.0%) Paid annually, invoiced in June. Recommendation: No further action
1130 Memorials (4%) £1578 (13%) invoiced and awaiting payment. Recommendation: Continue to monitor on a monthly basis.
Cost Centre 205 – Allotments
1080 Allotment Rents (1%) Majority of Allotment rents are billed annually in September. Recommendation: No further action
Cost Centre 206 – Parks and Recreation
4175 Repairs & Maintenance (18%) Majority of Allotment rents are billed annually in September. Recommendation: No further action
Cost Centre 301 – Civic & Community
4530 Civic Events (26%) Frontloaded Catering & Hire Costs for Annual Meeting Recommendation: No further action
4600 CCTV (25%) Invoices are issued quarterly Recommendation: No further action
Cost Centre 302 – Grants
4620 Grants (73%) Majority of annual grants paid Recommendation: No further action
Cost Centre 303 – Felixstowe in Flower
1810 Donations & Sponsorship (1%) Sponsors being contacted/invoiced throughout May Recommendation: Continue to monitor on a monthly basis.
Cost Centre 305 – Community Fund Projects
4625 Felixstowe Harwich Ferry (100%) Paid over at start of Financial Year. Recommendation: No further action.
4630 Level 2 (100%) Paid over at start of Financial Year. Recommendation: No further action.

Committee is requested to consider the budget monitoring report to 30 April 2025 and decide on any action it deems necessary.

AGENDA ITEM 11: COUNCIL INVESTMENTS

Committee is requested to note that the Council's 1-Year Investment Bond of £500,000 with Close Brothers Savings matures on 22 July 2025, returning interest of £25,750.00 at a fixed rate of 5.15%. The interest will be paid to the Council's bank account and recorded in the budget as revenue income.

Committee is asked to consider the next investment vehicle for the sum of £500,000, in line with its Investment Policy and Strategy, which can be found. This sum is not expected to negatively impact on cashflow as it relates to earmarked reserves including the Cemetery extension project and is unlikely to be required in the next 12 months.

In accordance with the Council's [Investment Policy and Strategy](#) Committee is asked to consider the next investment vehicle for the principal sum of £500,000. This sum forms part of Council's earmarked reserves, including provision for the Cemetery Extension Project, and is not expected to be required within the next 12 months. Therefore, reinvestment in a fixed-term deposit would not adversely impact cash flow.

Current Investments Overview

Close Brothers Investment Bond

- Maturity date: 22 July 2025
- Principal: £500,000
- Interest received: £25,750 (5.15%)
- Current offer:
 - 4.3% AER for 1 year
 - 4.2% AER for 2 years*(Rates subject to daily change; current as of May 2025)*
- As reported to committee in January, the Fitch rating for Close Brothers has been downgraded to BBB+ and further details on this can be found at <https://www.fitchratings.com/research/banks/fitch-places-close-brothers-group-on-rating-watch-negative-01-11-2024> the rating was reviewed by Fitch on 6 February 2025 and a rating watch is being maintained.

Nationwide 35-Day Saver Account

- Current interest rate: 2.90% AER
- Notice period for withdrawals: 35 days
- Nationwide is ethically rated and holds an A Stable rating from Fitch [Details: <https://www.nationwide.co.uk/about-us/responsible-business>]

Barclays Accounts

- **Current Account**
Used for daily operations and automatically topped up to £50,000 daily from the tracker account.

- **Business Tracker Account**

Receives precept payments; balance has ranged from £409,699.43 to £803,161.49 in the past year.

Current balance: £714,694.19

Interest rate: 1.35% AER

Council Reserve Position (as at 31 March 2025)

General Reserves: £344,597

(Recommended to hold between 3–12 months net expenditure: £247,333 – £989,332)

Earmarked Reserves: £984,068

- Of which, **Community Infrastructure Levy (CIL):** £421,860

The current Close Brothers Bond will automatically roll over for two weeks post-maturity on 22 July 2025, pending reinvestment instructions. If no new bond is selected within this window, the full principal and interest will be returned to the Town Council's main account.

Members may wish to consider reinvestment in a 1-Year Bond with Close Brothers at the current rate of 4.3% AER, offering a competitive return.

Ethical banking options have also been researched. Triodos are one of the most ethical and eco-friendly banks available in the UK. However, Fitch Ratings (Fitch) has assigned Triodos Bank a rating at 'BBB'. Unity Trust Bank is similar in that its rating is 'B' and it is also one of the top ethical business accounts.

Other Investment Options Reviewed

Barclays Bank 1-Year Bond: 3.8% AER

CCLA Public Sector Deposit Fund: Approx. 4.47% return in the past year (note: unit-linked, not guaranteed)

Ethical Banks:

- Triodos Bank: BBB rating (Fitch)
- Unity Trust Bank: B rating (Fitch)

Committee is requested to consider Council's current investment position and make recommendations for the reinvestment of £500,000 upon maturity of the current Close Brothers bond.

AGENDA ITEM 12: STATEMENT OF INTERNAL CONTROL 2025/26

The Accounts and Audit Regulations 2015 states that a Council must ensure that it has a sound system of internal control which

- facilitates the effective exercise of its functions and the achievement of its aims and objectives;
- ensures that the financial and operational management of the authority is effective; and
- includes effective arrangements for the management of risk.

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

The Council must operate an overall system of internal control appropriate to its expenditure and activity. As part of its system of internal control, the Council arranges for an internal audit where someone, other than the Responsible Financial Officer (RFO) and acting independently of the Council, scrutinises the Council's financial systems.

The system of internal control is designed to ensure that the Council's activities are carried out properly and as intended. Internal controls are set up by the RFO but it falls on the Council Members to ensure that they have a degree of control and understanding of those controls. Controls will include the checking of routine financial procedures; the examination of financial comparisons; the recording of assets and liabilities; the identification of risk and to evaluate the likelihood of those risks being realised and the impact should they be realised, and to manage them efficiently, effectively, and economically.

Council's Statement of Internal Control for the year ending 31 March 2025 is shown at **Appendix D**.

Committee is requested to review and recommend to Council, its Statement of Internal Control for the 2025/26 financial year.

AGENDA ITEM 13: BUSINESS PLAN UPDATE

The Town Council's Action Plan sets out the key objectives and priorities identified in its [Business Plan](#), providing a practical framework to guide service delivery and strategic development.

The Action Plan (**Appendix E**) is a living document, reviewed regularly by Council and its Committees to monitor progress and ensure accountability. It links short- and medium-term actions to the Council's long-term aims and outlines clear targets, timescales, and responsible lead officers or Committees.

During 2024/25, notable progress has been made across several areas of the Action Plan, including improvements to community engagement, the development of events such as the Charity & Community Groups Summit, and the establishment of a Neighbourhood Plan Feasibility Working Group.

Environmental sustainability, asset maintenance, and support for civic and voluntary initiatives have also remained key themes.

Council's Finance & Governance Committee should review the Action Plan regularly to assess delivery against the Business Plan and recommend updates where necessary, ensuring continued alignment with the needs and aspirations of the local community.

Committee is requested to review the current Action Plan, note progress to date, and consider any updates or amendments required to ensure continued alignment with the Council's Business Plan objectives.