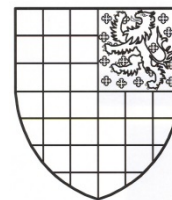


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**LEWES
TOWN
COUNCIL**

To All Members of Lewes Town Council

A Meeting of **Lewes Town Council** will be held on **Thursday 17th December 2015**,
in the **Council Chamber, Town Hall, Lewes** at **7:30 pm** which you are summoned to attend.

S Brigden, Town Clerk
9th December 2015

AGENDA

1. QUESTION TIME

To consider any questions received regarding items on the agenda for this meeting.

2. MEMBERS' DECLARATIONS OF INTERESTS

To note any declarations of personal or prejudicial interest in items to be considered at this meeting.

3. APOLOGIES FOR ABSENCE

To consider apologies tendered by Members unable to attend the meeting.

4. MAYOR'S ANNOUNCEMENTS

To receive any announcements from the Mayor.

5. MINUTES

To agree Minutes of the Council's meeting held on 12th November 2015.

(attached page 3)

6. WORKING PARTIES & OUTSIDE BODIES

To consider matters arising from working parties; members serving on outside bodies *etc.*

a) Citizens' Advice Bureau – half-year statistics

(Oral report by Cllr Caitlin, and information attached page 7)

b) Grants Panel 18th November 2015

(Report FC009/2015 attached page 9)

c) Neighbourhood Plan Steering Group event (19th & 20th November 2015)

(Oral report by Cllr S Murray)

also see www.lewes4all.uk

d) Finance Working Party 2nd December 2015

(Minutes attached page 11)

e) Audit Panel 8th December 2015

(Minutes attached page 14)

7. MAYORALTY 2016/17

To nominate a Mayor-elect and Deputy Mayor-elect for the 2016/17 municipal year

8. NATIONAL AUDIT FRAMEWORK

To consider proposals by the National Association of Local Councils

(attached page 42)

9. INVESTMENT of RESERVE FUNDS

To consider investment proposals

(NOM016/2015 page 48)

10. COMMUNICATIONS

To consider formation of a Working Party

(NOM017/2015 page 49)

11. BOXING-DAY HUNT MEETING

To consider a proposed objection

(NOM018/2015 page 49)

12. TOWN HALL FIRE ALARM SYSTEM

To consider proposals regarding the Town Hall fire alarm system

(report FC010/2015 attached page 51)

13. TOWN HALL ROOF REPAIRS

To consider the matter of repairs needed to the roof of the Town Hall

(report FC011/2015 attached page 52)

14. UPDATE ON MATTERS IN PROGRESS

(Oral report by Town Clerk)

15. NOTICE of ITEMS IN PROSPECT

(Oral report by Town Clerk)

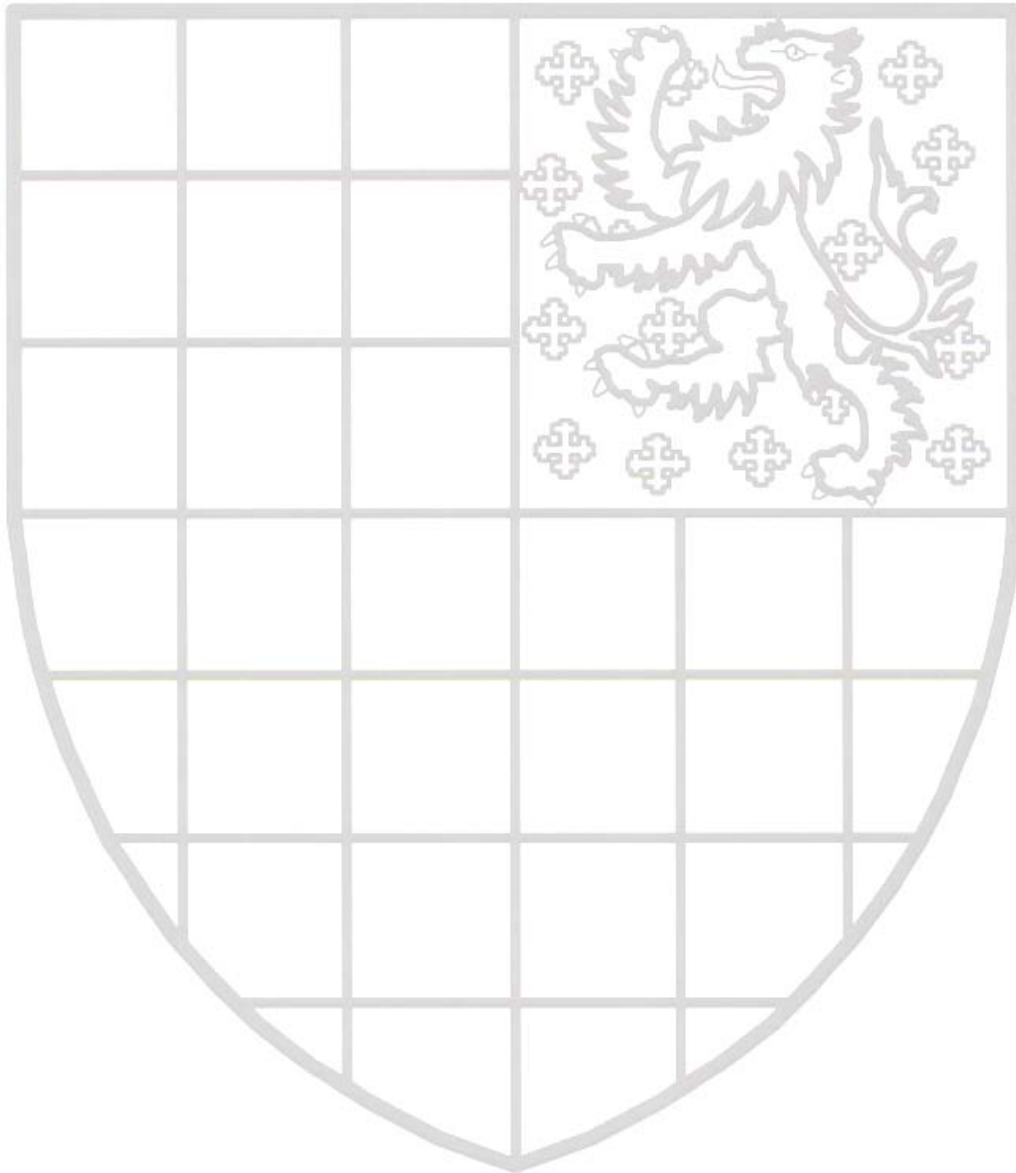
For further information about items on this agenda please contact the Town Clerk at the above address

This agenda and supporting papers can be downloaded from www.lewes-tc.gov.uk

PUBLIC ATTENDANCE: Members of the public have the right, and are welcome, to attend meetings of the Council and to ask questions regarding items on this agenda. Questions are heard at the start of each meeting with the Chairman's consent, subject to time available. Questions or other requests to address Council should, whenever possible, be submitted in writing to the Town Clerk at least 24 hours in advance.

General questions can be raised at our offices between 9am-5pm Mons- Thurs 9am- 4pm on Fridays – our staff will be pleased to assist.

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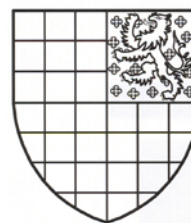
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**LEWES
TOWN
COUNCIL**

MINUTES

Of the **Meeting of Lewes Town Council**,

held on **Thursday 12th November 2015**, in the **Council Chamber, Town Hall**, Lewes at **7:30pm**.

PRESENT Councillors A Ashby; A Barker; R Burrows; S Catlin; M Chartier; D Cooper; W Elliott; J Lamb; I Makepeace (*Deputy Mayor*); M Milner; R Murray; S Murray (*Mayor*); O’Keeffe; T Rowell and E Watts.

In attendance: S Brigden (*Town Clerk*); Mrs F Garth (*Civic Officer & Asst Town Clerk*) Mrs E Tingley (*Committee Administrator*)

Observing: Ms V McLachlan (*Finance Administration Officer*); B Courage (*Town Ranger*)

FC2015/65 QUESTION TIME: There were no questions.

FC2015/66 MEMBERS’ DECLARATIONS OF INTERESTS: There were none.

FC2015/67 APOLOGIES FOR ABSENCE:

Apologies had been received from Cllrs F Addecott who was recovering from an operation, Cllr Dr A Bolt who had a prior commitment and Dr G Mayhew who had a lecture commitment. It was **resolved that:**

FC2015/67.1 Reasons submitted for absence from this meeting are accepted.

FC2015/68 MAYOR’S ANNOUNCEMENTS:

The Mayor thanked all those who had helped at the recent Bonfire Celebrations and on Remembrance Day and to those who helped at the street cleaners ‘Thank you’ breakfast. Tickets were on sale (at £2) from the Town Hall reception desk, for the Mayor’s raffle prizes; being a selection of signed books all written by local Lewes authors, and Bonfire poems by John Agard and Grace Nichols. The raffle would be drawn at the next Council meeting on 17th December 2015.

The Mayor’s fundraising reception in support of refugees would be held on Wednesday 18th November in the Town Hall. Tickets available from the Town Hall reception desk.

A reception to celebrate the Lewes Pound would be held on Monday 3rd November at 6.30pm in the Council Chamber.

The annual Chamber of Commerce Late Night Shopping event would be on Thursday 3rd December, staff would once again be in fancy-dress and offering mulled wine and hot chocolate in the Town Hall foyer in aid of the Mayor’s charities. LBG Brass and carol-singers would perform outside.

The Mayor’s Christmas Dinner would be held on Tuesday 15th December in the Council Chamber at 7:00pm (for 7:30pm).

Members were reminded of the Local Government Boundary Commission review of County and Districts which had a deadline for responses of 30th November. TC had emailed details to members on the 24th September but could provide a printed version on request.

Lewes District Cabinet Member for Finance & Resources, Cllr Bill Giles, had recently agreed to allow Town Councils to nominate up to three days per year of free parking in LDC’s off-street carparks, to support events. One of the days must be taken in the period leading up to Christmas. Lewes District Council asked that nominated days be advised at the earliest opportunity, to allow advertising.

It was resolved that:

FC2015/68.1 Lewes Town Council will request free parking in Lewes District Council’s

Continues...

off-street carparks on the three Saturdays in December leading up to Christmas (5th, 12th and 19th December 2015).

FC2015/69

MINUTES: the minutes of the meeting held on 1st October 2015 were received and signed as an accurate record.

FC2015/70

WORKING PARTIES AND OUTSIDE BODIES:

Members are reminded that anyone who may have attended a meeting of any recognized outside body which has covered issues that deserve attention by the Council, should ensure that TC is aware of this before the Council's next meeting, and preferably before the agenda deadline. Reports on all activities of the organization are not expected.

a] *Commemorations Working Party meeting 28th October 2015:* Cllr Chartier presented the minutes of this meeting (*copy in minutes book*). It had been noted that the Working Party's mandated programme was effectively completed, although Members agreed that there was sufficient 'demand' to justify a recommendation to Council that the remit be extended to 2019 in view of prospective events. There had been general discussion on anticipated events considered worthy of some form of support. These were:

- A proposed extension of the popular "lightbox" project which had twice featured topical photographs from the Edward Reeves Archive in illuminated boxes in High Street windows. It was understood that the organizer was designing a programme of photographs of local people who served in WW1, to be mounted in the windows of their original homes. This to accompany an academic project to catalogue the Reeve archive of glass photographic plates, which was believed to be the largest such collection in the world
- A partnership with Lewes History Group to promote a day of lectures or similar
- Engagement with a project related to the events of 30th June 1916 when significant numbers of men belonging to the 11th, 12th, and 13th Battalions of the Royal Sussex Regiment (the "South Downs Pals") lost their lives in action at Richebourg L'Avoué in France.
- The effect of the war on society at home and development of universal suffrage. Working men, and women, being temporarily enfranchised in 1918 and the following Womens' Suffrage movement. This was also a time of development in the Trades Union movement. A publication by the British Council entitled *'Remember the World as well as the War!'* had possible reference to links with University of the Third Age; Workers' Educational Association, Sussex Downs College and similar.
- Lewes Old Grammar School was to mount a production of "Oh! What a Lovely War!" in the Gun Garden at Lewes castle and may be interested to extend this to performance(s) at the All Saints Centre. Other educational establishments may also focus upon the period for curriculum purposes.
- Helen Glavin and John Hancorn had indicated interest in repeating the popular *'Winter of the World'* event, originally held at the All Saints Centre in October 2014.

Dr Mayhew continued research for the Council into names on the War Memorial and various matters of interest such as Siegfried Sassoon's service with the Royal Sussex Regiment.

90th Birthday of HM Queen Elizabeth 2nd - 21st April 2016: A recent conference of the National Association of Civic Officers had discussed this, and it was apparent that individual areas were taking widely differing approaches to the event. Some were doing nothing, while others were planning the lighting of beacons on hilltops. It was recommended that an appropriate recognition for Lewes would be to 'brand' the Mayor's annual senior citizens' tea and offer special consideration for anyone also celebrating their 90th birthday, perhaps working in partnership with Lewes District Council on this occasion.

National Holocaust Memorial Day: This event, in January, had been supported *ad hoc* by individual Mayors in the past on approach by the local organizers. It was recommended

that Council now recognize the event and include it in the agreed list of civic events. Schools were closely involved and education was a primary consideration.

It was resolved that:

FC2015/70.1 The Minutes of the Commemorations Working Party of 28th October (*copy in minute book*) are noted.

FC2015/70.1.2 The recommendations of the Commemorations Working Party of 28th October 2015 (*copy in minute book*) are agreed as:

1. The mandate of the Working party is extended to 2019 and
2. In-principle support is agreed for the prospective events and ideas described in the minutes of that meeting.

b] *Lewes Neighbourhood Plan Steering Group event (8th & 9th October 2015)*: Cllr S Murray described the emerging Policies that had been drawn up so far. The Steering group would be meeting on the 16th November preceding the next Neighbourhood Plan event being held on Thursday 19th and Friday 20th November. A group of pupils from Priory School would be attending the event on the Friday and this would be a good opportunity to engage with young people. Leaflets and posters had been collected from the Town Hall and distributed. An early draft of the policies that were emerging from consultation on a Neighbourhood Plan would be drawn up by the consultant, for exposure to public comment. Attention was drawn to the dedicated website www.lewes4all.uk where all material was presented.

It was resolved that:

FC2015/70.2 The oral report on progress toward a Neighbourhood Plan is noted.

FC2015/71

UPDATE ON MATTERS IN PROGRESS:

a) *Devolution of Parks and open spaces* – TC referred to recent discussions with LDC when their previously inflexible stance on ‘overage clauses’ had relaxed and it seemed likely that a schedule of exempt circumstances would be agreeable. It was left to the Town Council to prepare a list for submission, and this was in-hand. In answer to a question TC elaborated upon the principles underlying this issue. It was recognized that the LDC position was not unusual among principal authorities across the country.

b) *Town Hall refurbishment* - Stone and masonry work had finished on the Town Hall although there was still painting and roof work to be completed.

c) *Living Wage residual issues* - Job Evaluations for all staff would be carried out during week commencing 23rd November by Mr Richard Penn.

d) *Pedestrian crossing, Church Lane Malling* – South Malling School were now keen for the deferred crossing to be built. East Sussex County Council (ESCC) officers had retrieved details of the design work and preliminary consultations done in 2013, and advised that the overall cost had not increased significantly. The Town Council held adequate funds in an earmarked Reserve and ESCC could accommodate this in its 2016 programme, but there was a consideration regarding a potential contribution from ESCC’s *Community Match* fund; although this would involve additional cost and delay. To decide this matter, **it was resolved that:** **FC2015/71.1** The Traffic Working Party is mandated to make a decision on Council’s behalf and commission the pedestrian crossing for Church Lane, Malling, calling on funds as required from the earmarked reserve identified as P9 in the Council’s published accounts (current balance £27,500).

e) *Training* – Seminars tailored to the profile of this Council and presented by the County Association’s specialist advisers would be arranged for Councillors in the new year. The original proposal had been that these might take place on a Saturday, but this was no longer offered and a weekday evening, probably in January, would be identified shortly following the return from honeymoon of a key presenter.

FC2015/72

NOTICE of ITEMS IN PROSPECT:

a) The next meeting of the Audit Panel would be held on Tuesday 17th November 2015.

- b) The next Grants Panel would be on Wednesday 18th November at 5.30pm with Council considering the recommendations on 17th December.
- c) A Neighbourhood Plan Steering Group meeting would be held on Monday 16th November at 7pm.
- d) The Neighbourhood Plan Steering Group event would be on 19th & 20th November in the Corn Exchange.
- e) The next Councillors' Surgery was scheduled for Tuesday 1st December between 10:00 and 12:00 in the Corn Exchange (during the weekly Market). Cllr Catlin volunteered to attend and Cllr Chartier volunteered to attend from 11am.
- f) The next Planning Committee meeting was scheduled for: Tuesday 1st December at 7:00pm
- g) The next Finance Working Party meeting was scheduled for Wednesday 2nd December at 7.00pm.
- h) The next deadline for grant applications was Friday 29th January 2016 with the Panel meeting on Wednesday 10th February and recommendations considered by Council on 25th February 2016.
- i) The next meeting of Council would be on Thursday 17th December – 7:30pm – giving a deadline for agenda items to be submitted to TC of noon on Monday 7th December.
- j) Meetings of the Transport Working Party and Buildings Working Party were to be arranged.

There being no further business the Mayor closed the meeting and invited all present to join her for refreshments in the Mayor's Parlour

The meeting ended at 8:35pm

Signed:

Date:

Lewes District CA 6 Month Year 2015-6 Client Stats - Lewes

Lewes Bridge, Castle and Priory

Total Number of Client Contacts = 422 by 276 Clients

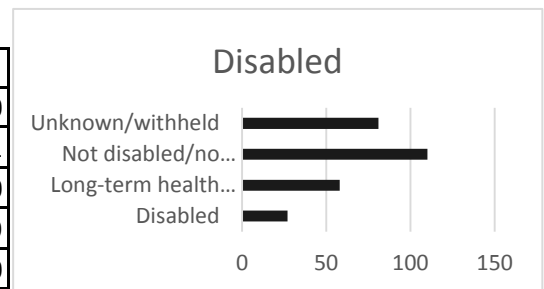
Client Profile

AGE	Clients	%
0-14	2	1
15-19	1	0
20-24	22	8
25-29	19	7
30-34	23	8
35-39	14	5
40-44	37	13
45-49	29	11
50-54	33	12
55-59	23	8
60-64	23	8
65-69	12	4
70-74	14	5
75-79	8	3
80-84	6	2
85-89	2	1
90-94	0	0
95-99	0	0
Not	8	3
Total	276	100

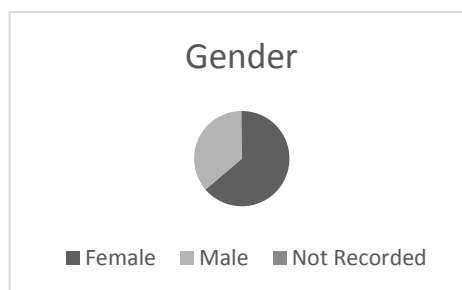


Child Dependents	
Over 14	32
Under 14	50
Total	82

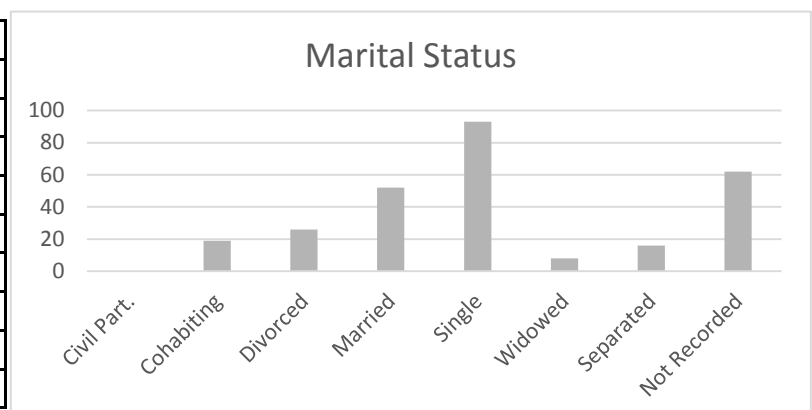
Disability	Clients	%
Disabled	27	10
Long-term health condition	58	21
Not disabled/no health problems	110	40
Unknown/withheld	81	29
Total	276	100



Gender	Clients	%
Female	176	64
Male	99	36
Not Recorded	1	0
Total	276	100



Marital Status	Clients	%
Civil Part.	0	0
Cohabiting	19	7
Divorced	26	9
Married	52	19
Single	93	34
Widowed	8	3
Separated	16	6
Not Recorded	62	22
Total	276	100



Lewes District CA 6 Month Year 2015-6 Client Stats - Lewes continued

Total Financial Outcomes = £84,067

20 of the 276 clients that we have seen from Lewes have received financial outcomes.

Lewes	Lewes Bridge	6	£17,394
Lewes	Lewes Castle	6	£42,793
Lewes	Lewes Priory	8	£23,881
		20	£84,067

These 20 Clients have received specialist casework advice during the last 6 months

	Outcome	Month	Value
2015-16	Q1	April	£12,056
		May	£8,103
		June	£30,614
	Q1 Total		£50,773
	Q2	July	£28,547
		August	£3,481
		September	£1,267
	Q2 Total		£33,295
2015-16	6 month Total		£84,067

Financial Outcome By Type

	Outcomes	Clients	Value
Benefit / tax credit gain - a new award or increase	9	4	£29,400
Benefit / tax credit gain - overpayment reduced or not rec	1	1	£1,400
Better deal through switching supplier	1	1	£140
Charitable payment	1	1	£10
Debt write off - other	2	2	£1,612
Financial gain (please specify)	2	2	£2,128
Other (financial)	3	3	£2,010
Other savings achieved	1	1	£2,845
Repayment negotiated	12	9	£11,225
Token payments	19	6	£33,298
Note: Clients may have more than 1 outcome	51	20	£84,067

Work Level	Number Outcomes	Unique Clients
Advice	2	2
Advice and limited action	4	3
Specialist casework	45	16
Grand Total	51	20

Agenda Item No: 6b)

Report No: FC009/2015

Report Title: Grants panel recommendations – 18th November 2015

Report To: Full Council

Date: 17th December 2015

Report By: S Brigden, Town Clerk

Purpose of Report: To recommend payment of grants as suggested by the Grants Panel, following its meeting on 18th November 2015 (the third of four cycles for 2015/16)

Recommendation(s):

- 1 That the grant payments recommended in this report (as shown in column **G** of the appended table) be approved.

Information:

1 The Grants Panel met on 18th November 2015. 8 applications were considered, with requests for support in the sum total of £7,444.

2 Assessing applications this cycle were: Cllrs Burrows; Cooper; Murray (S); O’Keeffe, and Watts.

3 Using the system approved by Council, each panellist evaluated applications on their merits in five categories:

- 1 Closeness of match to Lewes Town Council’s grant scheme policy
- 2 Overall “robustness” of the proposal – general likelihood of success/sustainability
- 3 Financial planning exhibited - adequacy/prudence/appropriateness *etc.*
- 4 Scope and sustainability of the proposal – beneficiaries; scale; thoroughness
- 5 A personal (subjective) assessment, based on any special insight or considerations.

Where recommended awards are below the amount requested by the applicant, the details of the proposal were carefully scrutinized as to the appropriateness of the sum requested in relation to the overall scheme or project budget, and alignment with the Council’s published aims. Also considered were factors such as the balance or proportion of Council funding compared with other sources and the applicant’s own funds, and other detail elements.

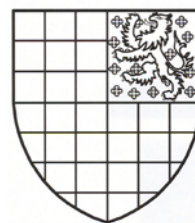
4 **The recommended grant awards for this cycle are shown at column G, below.**

Salient points, considered by panellists during their deliberation and influencing their final recommendations (noted/highlighted in column H below, where appropriate), fall into the areas of:

- ⊕ No other funding sought.
- ⊕ Sum requested disproportionate to own assets or contribution to scheme or project.
- ⊕ Sum requested from parish disproportionate to total cost of scheme or project.
- ⊕ Project or scheme mis-matched with parish council powers or LTC’s scheme policy.
- ⊕ Sum recommended is considered to be an appropriate/proportionate parish contribution.

S Brigden

19th November 2015



MINUTES

of the meeting of the **Finance Working Party**

held on **Wednesday 2nd December 2015**, in the **Yarrow Room, Town Hall, Lewes** at **7:00pm**.

PRESENT Cllrs F Addecott; M Chartier; S Murray; R O’Keeffe; A Rowell and (*not appointed to the Working Party*) Cllr I Makepeace

In attendance: S Brigden (*Town Clerk [TC]*)

FWP2015/01 APOLOGIES FOR ABSENCE: It was discovered after the meeting that Cllr Cooper had belatedly left a message advising that she was unwell.

FWP2015/02 DECLARATIONS OF INTEREST: There were none.

FWP2015/03 QUESTIONS: There were none (No public or press were present).

FWP2015/04 REMIT OF THE WORKING PARTY:

The working party was asked to consider the detail of estimated expenditure and income for the Council’s operations, and to agree a budget and level of Council Tax precept for the 2016/17 year, for recommendation to Council.

The Working Party was asked to ensure appropriate provision for items constituting the Council Plan for 2016/17.

FWP2015/05 BUSINESS OF THE MEETING:

1 In the year of introduction (2013/14) of the Government’s Council Tax Support Grant scheme, Lewes District Council had passed-on the whole amount which had been sufficient to maintain the Town Council’s “band ‘D’ equivalent” precept unchanged. However; this grant had reduced significantly each year since then and was to reduce from the current year amount by a further 15% for 2016/17, to £53,128. The Town Council (LTC) therefore faced an enforced increase to precept to simply maintain budgeted nett expenditure at the present level. Parish Councils again await a definitive statement from the Government as to their intended referendum/capping policy for 2016/17.

2 The Working Party considered the service budget estimates for 2016/17 (*copies in the minute book*). Alongside the Council’s financial system generally, the assumptions and basic principles and the process of compiling the recommended budget had again been commended by the Council’s independent Internal Auditor (IA) during a recent inspection, who made two observations in his interim report: “*I am pleased to report that overall the systems and procedures you have in place are entirely fit for purpose and I would go so far as to say are a model of good practice.*” and “*The very detailed working enables sound and robust decisions to be made...However.. current indications are that general reserves could be reduced by a further £150k in the 2017 year, this level of reduction would be considered putting the council’s general reserve into financial distress. Council needs to consider the RFO’s proposals seriously and discuss reserves provisioning in this regard.*”

3 The draft budgets presented took account of:

- Provision for known/anticipated increases in public Utility supplies, NNDR etc.
- Adjustments for completed and imminent (previously-approved) projects.
- Provision for elements identified in the Council’s forward plan.
- Establishment of appropriate reserves for agreed/anticipated projects.
- Provision for anticipated increases in insurance and other overhead costs etc.
- Provision for known increase in employers’ pension and NI contribution.

- Refinements of overhead allocation to services and base service cost estimates.
- Recognition of anticipated adjustment to salaries.
- Provision for known and anticipated increases in cost of contracted services.
- Re-establishment of exhausted reserves and continuation of prudent contributions.
- Provision for costs of assets or services accepted through devolution by Lewes District Council, and for necessary transitional costs.
- Fees & charges tariff increase of 3%, rounded to an appropriate value for the service concerned.

It was acknowledged that there was a continuing need to address the proper maintenance of the Council’s physical assets and adequately fund continuing services.

4 The draft budget as presented resulted in a 13.24% increase in precept (to £883,872) but this was attributable to various factors, some of which are flexible and may not be agreed, and also should be considered in context of a partial offset by reduction in the sum chargeable to Lewes taxpayers by the District Council. The actual cost to a Band ‘D’ household equated to an extra £17.36 per year; 33.9 pence per week.

5 The draft budget combined specific amounts for known costs and committed project items, with prudent allowances for reserves, and provided for a flexible response to unforeseen issues. The Council’s forward plan was considered, and it was understood that this involved significant burden on the Council’s existing staff and resources, and was as expansive as could be practically undertaken. Members recognized that some projects could exceed original “informed guess” estimates of cost, and earmarked reserves could be insufficient. Building and engineering works were of particular concern in this regard, as the Council’s assets had all been taken-on with considerable historic dilapidation, and contexts such as heritage listing status. Projects could be “topped-up” by drawing from the General Fund which; although adequate, would then need to be restored in future years to the levels recommended by government auditors. This was the prospect that had triggered the exhortation of the IA in his interim report, as it was possible that the Council’s General Fund could drop below an acceptable minimum in the next two years.

6 With these issues in mind, Councillors considered the forward plan; proposed contributions to reserves and operational service requirements, in detail. Two Members had submitted a number of questions late the previous evening, and these were addressed as the presentation unfolded. At the end of this process Members of the Working Party were equally divided (*Cllr O’Keeffe had left the meeting [at 10:15pm] before this point*) as to their preferred course of action: whether to promote the budget to Council on 17th December and deal with any suggestions for amendments at that meeting, or to hold a further meeting and defer recommendations until the Council meeting scheduled for 21st January 2016.

FWP2015/06 CONCLUSIONS:

Members were equally divided and a vote was called, which required exercise of the Chairman’s casting vote to defer a final decision on recommendations pending a further meeting. Council will then be asked to consider these at its meeting on 21st January 2016.

FWP2015/07 The Chairman declared the meeting closed.

The meeting ended at 10:45pm

Signed:

Date:



Lewes Town Council proposes to initiate and complete (where possible and practical), or continue, the following major areas of work in the year 1st April 2016 to 31st March 2017. These are in addition to various projects and initiatives itemised in the Council's budgets and accounts, and represent larger-scale activities deserving special attention.

*The plan will be updated in course of time, to show key elements and progress towards completion, as appropriate.

1 Town Hall repairs & conservation

Major roof repairs/replacement to Assembly Room and Corn Exchange

Works required for safety and integrity of building.

2 Pells Lake ecology project

Improvements to water quality } *partially completed – specialist report obtained*

Introduction of aquatic plants } *W/Party remit to consider structural integrity of lake perimeter.*

pending commencement of 3rd-party works in locality to achieve best VFM – links to item 3

3 Pells Recreation Ground and kiosk/café development (with Santon Group and others)

Engagement with Santon Group and others to improve the “urban realm” in the area as an integral component of necessary flood-defence works; taking the opportunity to replace children’s play equipment and introduce equipment for a wider age-range, and to provide an enhanced café facility for the swimming pool, recreation ground, and surrounding parkland.

NSQ planning application due for C'ttee decision Dec 2015 (works planning to follow)

4 Malling (Bridgeview) Community Centre refurbishment

To carry out a comprehensive refurbishment of the community centre, with modern heating and lighting, with improved facilities for community use, including more flexible interior spaces and better integration of the sports changing-rooms with the adjoining sports pitches and recreation ground.

Invitation to submit design ideas early 2016

5 Commemorations:

To engage with, and inspire, appropriate community recognition of

National commemoration of the Centenary of the outbreak of the first World War (2014) *ongoing 2014-18*

Research commission re additional names for War memorial – ongoing; end date 2018

Centenary of the signing of the Treaty of Versailles (2019)

pending

Programme to be developed to 2019, as Council resolution 12th November 2015 (ref pending)

6 Neighbourhood Plan (with Community partners)

Development of a Neighbourhood Plan for Lewes under provisions of the Localism Act 2011

Reg14 consultation on draft Plan by April 2016

7 Continuing programme of environmental enhancements and specific site improvements

Engage with appropriate projects arising from third-party initiatives (*eg* highway safety/traffic management).

Continuing improvements to own assets (*eg* allotment sites)

Currently agreed: pursuing highway crossing, Church Lane, Malling

8 Devolution of assets & services

Provide for transfer of ownership of various assets/services from Lewes District Council. (currently subject to ongoing negotiation)

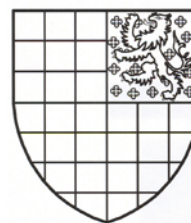
Malling Rec and Landport Bottom agreed for first tranche 2015/16 – legal transfer process delayed by LDC. Decisions pending re further sites (next tranche originally identified Southover Grange Gdns)

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**LEWES
TOWN
COUNCIL**

MINUTES

of the **Audit & Governance Panel** held on **Tuesday 8th December 2015**, in the **Yarrow Room, Town Hall**, Lewes at **7:00pm**. (*This meeting originally scheduled for 17th November*)

PRESENT Cllrs A Barker; S Catlin; W Elliott; M Milner (*Chairman*)

In attendance: S Brigden (*Town Clerk [TC]*)

AudPan2015/10 QUESTIONS: There were none

AudPan2015/11 APOLOGIES FOR ABSENCE: Apologies were received from Cllr Lamb (no reason given).

AudPan2015/12 DECLARATIONS OF INTEREST: There were none.

AudPan2015/13 MINUTES: The minutes of the meeting held on 16th July 2015 were received and signed as an accurate record.

AudPan2015/14 BUSINESS OF THE MEETING:

1 Routine financial monitoring:

Members were furnished with detailed information (*copies in minute book*) following the end of the second quarter of the financial year 2015/16.

Budget monitoring update – this showed actual expenditure and income values as posted to the Council's *Sage* accounting system and included all transactions processed to the end of the quarter. There was some discussion on salient points of detail, and TC responded with reference to the identified sources. Apparent variations were related to known events, such as specific payments in respect of works and purchases; stock-taking adjustments; errors in posting (*eg* to incorrect accounts) which had since been corrected, or perceived 'overspend' which will be attributable to Reserves when final accounts are prepared at year-end. There were no items of concern.

Operating costs trend analysis – this set of data, which the Panel review once or twice each year, showed comparisons in operating costs service-by-service back to the 2003/04 year. Figures showed the nett cost of each service, and analysis as a percentage of Precept and of total costs, and indicated trends in Reserve and General Fund balances *etc.* The copy provided was updated following the completion of external Audit for the year ended March 2015.

2 Oversight as required by the Audit & Governance regime update 2014: TC introduced the file of periodic bank reconciliations, for review of the scrutiny already conducted. The Chairman appended his signature to verify this in each instance. The nominal ledger report produced from the Council's *SAGE* accounting system records, being the source document reconciled to the budget monitoring report during the meeting, was verified in the same way.

3 Interim report of the Internal Auditor:

The Council's Internal Auditor had recently visited and carried-out his interim audit for the year. His report had been submitted promptly thereafter and was provided, for information, to the Panel. Members were encouraged to read "*I am pleased to report that overall the systems and procedures you have in place are entirely fit for purpose and I would go so far as to say are a model of good practice.*". There were no recommendations for change, and no matters of concern although Members were alerted to an

exhortation regarding budgeting and Reserves: *“The very detailed working enables sound and robust decisions to be made...However.. current indications are that general reserves could be reduced by a further £150k in the 2017 year, this level of reduction would be considered putting the council’s general reserve into financial distress. Council needs to consider the RFO’s proposals seriously and discuss reserves provisioning in this regard.”*

4 *Payment processing:*

TC introduced examples of the documentation used in routine processing of accounts for payment. The system related to online authorization was similar to that used for cheques, with funds transfers initially set-up as a batch (pending authorization) by the Finance Administration Officer and then two signatories verifying documents with a timed-and-dated signature recorded to ensure that the third action – the actual release for transfer by TC - was only input after two verifiers had previously signed-off. Members were satisfied by the levels of security required, and noted that the Council’s Internal Auditor had commented in his interim report that oversight by the Panel, such as described above, was an additional control which led him to comment that *“whilst this panel continues to monitor and scrutinize there is no risk evident”*.

A minor addition to the text of the Council’s Financial Control Procedures was suggested, for the next revision, to address the situation when insufficient authorised signatories are recognized.

5 *Investment:*

Council had accepted recommendations of the Panel in August 2014 – (*Council resolution FC2014/49.5*) that the Responsible Finance Officer be asked to determine appropriate sums from funds not expected to be needed within the next twelve months, for investment in the CCLA Local Authorities’ Property Fund/Public Sector Deposit Fund. There had subsequently been a question raised by auditors elsewhere in the country as to whether these vehicles were open to parish councils, and a national debate had only recently concluded; finding that they *were* eligible. No action had yet been taken on the resolution, pending an outcome, but following the current budget cycle TC intended to calculate the funds now available for such investment.

As the Panel contained new Members, an update was presented. TC distributed copies of the Council’s adopted Investment & Reserves Policy, and factsheets on one of the financial investment vehicles operated by CCLA Investment Management Ltd (CCLA Local Authorities’ Property Fund [LAPF]). CCLA was an investment company originally created specifically to address needs of public sector organizations, and was generally very well-regarded - consistently maintaining a rating ‘AAA’ by Fitch Ratings Ltd and other agencies. It also operated similar funds exclusively for registered Charities.

These funds satisfied criteria for investment by the Council, according to its adopted Investment & Reserves Policy, and were proposed as appropriate for transfer of funds not expected to be needed within the next twelve months. Members were encouraged by summaries showing that performance of the Property Fund to the end of September 2015 showed an annualised total return performance of +15.2% over 1 year; +13.2% over 3 years, and +10.1% over 10 years. It was noted that investment was in UK properties, and that the trustee is the Local Authorities’ Mutual Investment Trust (LAMIT).

AudPan2015/15 CONCLUSIONS:

1 Members considered information on the Council’s financial status and management, and found no items of concern.

2 In accordance with the national audit and governance regime: where member oversight is required, the Chairman of the Panel signed to attest the veracity of reconciliation records presented.

3 Members noted the interim report for the 2015/16 year submitted by the Internal Auditor.

4 Members were satisfied that systems controlling the processing of payments were appropriate, robust, and offered extremely low risk.

5 Members were satisfied that funds operated by CCLA Investment management Ltd remained appropriate for investment by the Council, and currently offered low risk with unexpectedly high dividend yields.

AudPan2015/16 There being no further business, the Chairman declared the meeting closed, and thanked everyone for their attendance.

The meeting closed at 8:45pm

Signed date

Draft



Section A - Policy on Financial RESERVES

1 Introduction

The following quote from the Senior Manager of the Council's external (Government-appointed) auditors in 2011 is helpful in setting the context for this policy:

“Obviously, in carrying out our audits we review each council individually, but if reserves are either below 25% or higher than 100% of annual expenditure then we would expect an explanation from the council.

From the Practitioners Guide:

- *As councils have no legal powers to hold revenue reserves other than those for reasonable working capital needs or for specifically earmarked purposes, whenever a council's year-end general reserve is significantly higher than the annual precept, an explanation should be provided to the auditor.*
- *Earmarked reserves, which are set aside for specific purposes and for savings for future projects, should be realistic and approved by the council. It is generally accepted that general (i.e. un-earmarked) revenue reserves usually lie within the range of three to twelve months of gross expenditure. However, the amount of general reserve should be risk assessed and approved by the Council.*

The reserves for Lewes Town Council are at an appropriate level for the size of your council and as such we have not requested further details from you in relation to them.”

2 Policies

When considering financial plans and preparing the annual budget, the Council will aim to:

- 2.1 Maintain a working bank account balance to help cushion the impact of uneven cash flows e.g. prior to receipt of half-yearly precept payments from the collection authority; referred to as the Current Account and maintained at roughly two months' gross anticipated expenditure.
- 2.2 Maintain a contingency reserve, not earmarked for specific purposes, to cushion the impact of unexpected events or emergencies; referred to as the General Fund, and maintained at roughly four-months' gross anticipated expenditure.
- 2.3 Maintain earmarked reserves, to meet known or predicted liabilities, identified individually in the Councils budgets and annual accounts. Allocations for repairs and renewals will be included in annual estimates of income and expenditure and therefore funded by the Council's precept, in order to maintain earmarked reserves; to augment or reduce them, or to establish new reserves according to Council decisions from time to time.

Section B - Policy on Financial INVESTMENTS

3 Introduction

- 3.1 This policy has been produced and complies with the guidance issued by the Secretary of State under Section 15(1) (a) of the Local Government Act 2003.
- 3.2 Lewes Town Council acknowledges its responsibility to the community and the importance of prudently investing the temporary surplus funds held on behalf of the community.

4 Objectives

- 4.1 The general policy objective for this Council is prudent investment of its balances. The Council's investment priorities are:-
 - (i) the security of its reserves, and
 - (ii) the liquidity of its investments.
- 4.2 The Council will aim to achieve a reasonable return on its investments commensurate with proper levels of security and liquidity.



5 Policies

- 5.1 All Lewes Town Council's investments will be those offering high security and high liquidity. This means that:-
- (i) All investments will be made in sterling and any payments or repayments will also be made in sterling.
 - (ii) All investments will be short term investments which will not exceed a maximum of twelve months.
 - (iii) All investments will be made with a body or investment scheme which has been awarded a high credit rating by a credit rating agency*. (A high credit rating will be defined as 'A' 'High Credit Quality'.)
- *A credit rating agency is defined in the guidance as one of the following three companies: Standard and Poor's; Moody's Investors Service Ltd; Fitch Ratings Ltd.
- (iv) All investments will be made in UK banks and building societies, or other UK-domiciled and regulated institutions or funds.
- 5.2 Credit Ratings will be monitored at six-monthly intervals. If the credit rating falls during that period, the Responsible Financial Officer, in consultation with the Mayor, the Chairman of the Audit Panel, and the Lead Member for Finance & Policy, will decide on the appropriate action. Credit ratings will be reported to Council.
- 5.3 For prudent management of its balances, Lewes Town Council, maintaining sufficient levels of security and liquidity, will adopt a policy whereby funds which are likely to be surplus for more than three months can be invested in short term deposits.
- 5.4 The Government's Department of Communities and Local Government maintain that borrowing of monies purely to invest, or to lend and make a return is unlawful and Lewes Town Council will not engage in such activity.

6 Review and Amendment of the policy

- 6.1 The Responsible Financial Officer will review this policy annually for approval by the Council when annual estimates are being considered.
- 6.2 At the end of the financial year during the preparation of accounts the Responsible Financial Officer will also report on investment activity.
- 6.3 The Responsible Finance Officer may recommend variations of the policy for approval by the Council in accordance with guidance from the Secretary of State.
- 6.4 The Council will consider recommendations for the placement of its deposits at least one month before any instrument matures.

The Local Authorities' Property Fund

Fund Profile – 30 September 2015

A unique, specialist Property Fund available only to Local Authority Investors

Price at 30.09.15

Net asset value

Income units	287.62p (xd)
Gross dividend yield	4.78%*
* Based upon the net asset value and gross historic annual dividend of 13.7566p.	

Strong governance

The trustee is the Local Authorities' Mutual Investment Trust (LAMIT). LAMIT is controlled by representatives of the Local Government Association, the Convention of Scottish Local Authorities, the Northern Ireland Local Government Officers' Superannuation Committee and investors in the Fund. As trustee, LAMIT approves the investment strategy and the risk profile of the portfolio and reviews performance.

Unique accounting advantages

Unlike other property funds or direct property purchases, the Fund does not count as capital expenditure for English and Scottish Local Authorities. Dividends are treated as revenue income, but the General Fund is protected from fluctuations in the unit price. The investment is treated as an available for sale financial asset.

Meeting your needs

Suitable for Local Authorities with long term funds to invest to achieve an attractive income and capital growth over time.

The Property Fund is designed to achieve long term capital growth and a rising income from investments in the commercial property sector.

The portfolio is actively managed with a focus on asset selection. The intention is to boost returns by lease and tenant management and property improvement.

The Fund has a broad sector spread, with prudent diversification to keep risks under control.

Asset allocation by investment category 30 September 2015



Total fund size £460 million

Property portfolio details

Top 5 properties = 30.8% of the portfolio

Top 5 tenants = 23.1% of rental income

Weighted unexpired lease term 5.8 years

Vacancy rate 3.3%

Asset allocation by region and category 30 September 2015



Fund Data and IPD Other Balanced Property Fund Index data as at 30 September 2015

Top ten property holdings – total 50.2%

London, Kingsway
 London, Beckton Retail Park
 Coventry, Torrington Avenue
 Cambridge, Science Park
 London, Fenchurch Street
 Nottingham, Queens Drive
 London, Stockley Park
 Bracknell, The Arena
 Warwick, Icen Centre
 Lutterworth, Magna Park

Market update

The uptrend in values has continued, supported by strong inflows of new money in an environment of limited supply; after such a strong performance so far it is now clear that returns for the year will be comfortably into double figures. Yield compression remained the dominant support to prices for secondary stock and short least assets. Elsewhere, and particularly in London and parts of the south east, rental value growth was the dominant factor. At the sub-sector level offices and industrial assets continued to give the best returns while retail lagged. The problem here is not a lack of demand, void rates are below the industry average, it is a concern that rents may continue to fall from current levels. Occupier market improvement has continued but slowly and patchily. The overall void rate moved higher over the quarter but rental improvements continued.

Fund activity

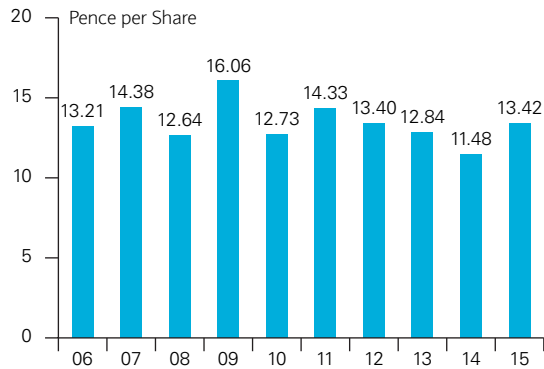
The Fund has continued to attract inflows of new money from a growing unit holder base. Acquisitions have therefore dominated activity within the portfolio. New assets include offices in Dartford and Bracknell, warehouses in Croydon and Aberdeen and shops in York. The new holdings add an attractive set of opportunities to the portfolio, support the yield and maintain asset quality. At the end of the period two other assets were under offer. The void rate rose slightly to 3.3%.

Outlook

The current uptrend is expected to continue, increasingly supported by rental growth as yield compression fades. At the sub sector level the relative strength of the office and industrial sectors is likely to persist, notwithstanding that pockets of value are emerging on the high street.

Dividend history of The Local Authorities' Property Fund

Years to 31 March



Calendar performance versus the benchmark (net)



* The benchmark is the IPD Other Balanced Property Fund Index.

Performance shown after management fees and other expenses. Past performance is not a guide to future performance and future returns are not guaranteed.

Source: CCLA & IPD

Long term performance

Total return performance (net) 12 months to end of September

	2015	2014	2013	2012	2011
The Local Authorities' Property Fund	+15.2%	+20.2%	+4.8%	+4.7%	+6.3%
Benchmark*	+14.8%	+17.3%	+3.9%	+2.1%	+7.6%

* The benchmark is the IPD Other Balanced Property Fund Index.

Performance shown after management fees and other expenses. Past performance is not a guide to future performance and future returns are not guaranteed.

Source: CCLA & IPD

Costs and charges

Our policy is always to keep costs and charges low - we believe that high costs and charges have a very damaging cumulative effect on investor returns. We negotiate to keep expenses low and monitor dealing costs closely. We have no entry or exit fees, the only income taken by the investment manager is the annual charge of 0.65%.

Key facts

Bid/offer spread	7.3%
Dealing day	Month end valuation day*
Minimum initial investment	£25,000
Minimum subsequent investment	£10,000
Dividend payment dates	End January, April, July & October
Annual management charge	0.65% (deducted from income)
Unit types available	Income
Sedol number	0521664
ISIN number	GB0005216642

Income payments are now made gross of tax.

Any outstanding historic tax reclaims should be addressed to:

Glynis Free
Specialist Repayment Team
7 South
Ty - Glas
Cardiff CF14 8HR
Telephone 03000 580618 9.30am - 1pm

* Instructions for the issue or redemption of units must be received by CCLA no later than 5pm on the business day prior to the Valuation Date. If the valuation day is a Bank Holiday the dealing day will be the previous working day. Units are only realisable on each monthly dealing date and redemptions may not be readily realisable; a period of notice not exceeding six months may be imposed for the redemption of units.

CCLA FUND MANAGERS LTD

Senator House
85 Queen Victoria Street
London EC4V 4ET

Client Service
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Fax: 0844 561 5126
clientservices@ccla.co.uk
www.ccla.co.uk

D10/NOV15

Important Information

Investors are not certain to make profits; losses may be made. Any forward looking statements are based upon our current opinions, expectations and projections. We undertake no obligations to update or revise these. Actual results could differ materially from those anticipated.

The Fund is an Alternative Investment Fund and an Unregulated Collective Investment Scheme established under a Scheme approved by H M Treasury under Section 11 of the Trustee Investments Act 1961 and is subject to provisions of a Trust Deed dated 6 April 1972 and a supplemental Trust Deed dated 13 September 1978. The Fund operates as an open-ended Fund under Part IV of the schedule to the Financial Services and Markets Act 2000 (Exemption) Order 2001.

CCLA Fund Managers Limited (registered in England No. 8735639 at the office below) is authorised and regulated by the Financial Conduct Authority and is the manager of the Local Authorities Property Fund.

The Local Authorities' Property Fund

Fund Fact Sheet – 30 September 2015

Overview

- High quality, well-diversified commercial and industrial property portfolio
- Focus on delivering attractive income
- Actively managed to add value

Fund objective

The objective for this Fund is to generate long term growth in capital and a high and rising income over time.

Suitable for

The Fund is suitable for any Local Authority seeking the benefits of exposure to a diversified portfolio of good quality property investments.

Governance

The trustee is the Local Authorities' Mutual Investment Trust (LAMIT) a body controlled by appointees of the Local Government Association, the Convention of Scottish Local Authorities, the Northern Ireland Local Government Officers' Superannuation Committee and investors in the Fund.

Who can invest?

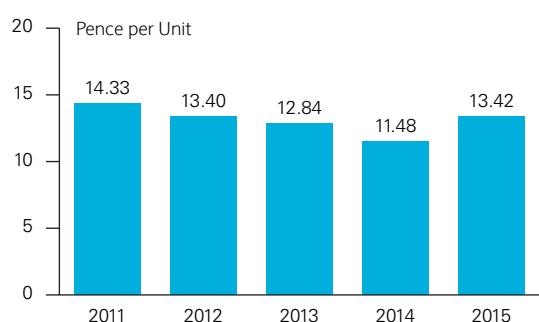
Any local authority in England, Wales, Scotland and Northern Ireland.

Income

Gross dividend yield	4.78% *
IPD Other Balanced Property Fund Index yield	3.80%
Base Rate	0.50%

* Based upon the net asset value and historic gross annual dividend of 13.7566p.

Past distributions



Unique accounting advantages

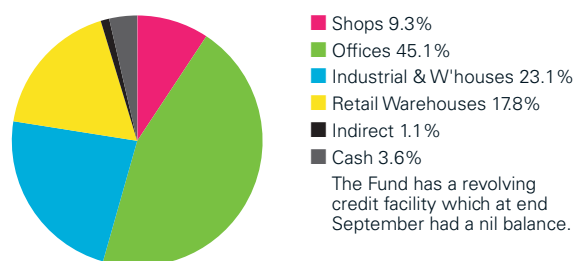
Unlike other property fund investments or even direct property purchases, investment in the Fund does not count as capital expenditure for English or Scottish local authorities. Dividends are treated as revenue but the General Fund is protected from fluctuations in the unit price. The investment is treated as an available for sale financial asset.

Fund update

Investment markets have remained strong. Continued high levels of demand and increased investor willingness to buy into secondary and regional markets have caused a number of forecasters to increase their estimates of total returns for the year. Demand is supporting higher valuations in all areas, but it is good quality secondary assets, where yield compression is still strong, that are achieving the best returns. Of the sub-sectors, offices and industrial assets are performing best, retail continues to lag. Occupier markets have continued to improve, but slowly. Voids remain high but there is increasing evidence of rental growth.

The Fund has continued to attract strong inflows and in an attractive investment climate there has been an active programme of acquisitions. New assets include offices in Dartford and Bracknell, retail warehouses in Croydon and Aberdeen and shops in York. These new holdings add an attractive set of opportunities to the portfolio, support the yield and maintain the high level of asset quality. The void rate rose slightly to 3.3%.

Asset allocation



Discrete year total return performance (net)

12 months to 30 September	2015	2014	2013	2012	2011
The Local Authorities' Property Fund	+15.2%	+20.2%	+4.8%	+4.7%	+6.3%

Annualised total return performance (net)

Performance to 30 September 2015	1 year	3 years	5 years
The Local Authorities' Property Fund	+15.2%	+13.2%	+10.1%

Net performance shown after management fees and other expenses. Past performance is no guarantee of future returns.
Source: CCLA

Top ten property holdings – total 50.2%

London, Kingsway	Nottingham, Queens Drive
London, Beckton Retail Park	London, Stockley Park
Coventry, Torrington Avenue	Bracknell, The Arena
Cambridge, Science Park	Warwick, Icen Centre
London, Fenchurch Street	Lutterworth, Magna Park

Key facts

Total fund size	£460m
Current borrowing	£0m
Number of holdings	42

Income units

Offer (buying) price	304.16p (xd)
Net asset value	287.62p (xd)
Bid (selling) price	283.16p (xd)
Bid/offer spread	7.3%

Launch date	18 April 1972
Unit types	Income
Minimum initial investment	£25,000
Minimum subsequent investment	£10,000
Dealing day	Month end valuation day*
Sedol & ISIN numbers	0521664, GB0005216642
Dividend payment dates	End January, April, July & October
Annual management charge (taken 100% from income)	0.65%

* Instructions for the issue or redemption of units must be received by CCLA no later than 5pm on the business day prior to the Valuation Date. If the valuation day is a bank holiday, the dealing day will be the previous working day. Units are only realisable on each monthly dealing date and redemptions may not be readily realisable; a period of notice not exceeding six months may be imposed for the redemption of units.

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CCLA The Local Authorities' Property Fund

Prices and Dividend Yields

End of	Oct-15	Sep-15	Aug-15	Jul-15	Jun-15	May-15	Apr-15	Mar-15	Feb-15	Jan-15	Dec-14	Nov-14
Offer Price p	306.45	304.16	301.71	300.00	297.51	296.35	295.14	292.20	290.82	288.35	285.56	276.73
Net Asset Value p	289.79	287.62	285.30	283.69	281.33	280.24	279.09	276.31	275.01	272.67	270.03	261.68
Bid Price p	285.30	283.16	280.88	279.29	276.97	275.90	274.76	272.03	270.75	268.44	265.84	257.62
Dividend* on XD Date p		3.67			3.25			3.41			3.43	
Dividend* - Last 12 Months p	13.76	13.76	13.67	13.67	13.67	13.42	13.42	13.42	12.74	12.74	12.74	11.90
Dividend Yield on NAV %	4.75	4.78	4.79	4.82	4.86	4.79	4.81	4.86	4.63	4.67	4.72	4.55
Fund Size £m	480.3	459.6	426.5	419.6	387.1	385.4	355.2	325.8	319.0	294.4	291.5	244.1

* The Dividend is paid gross and is after all charges

Risk Warning

Please remember that the value of units and the income from them can fall as well as rise and an investor may not get back the full amount invested. Past performance is no guarantee of future returns. The Property Fund's unit value will reflect fluctuations in property values and rents. The units are intended only for long-term investment and are not suitable for money liable to be required to be spent in the near term. They are realisable only on each month end valuation date and a period of notice may be imposed for the redemption of units.

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CCLA Fund Managers Ltd is Authorised & Regulated by the Financial Conduct Authority.

Lewes Town Council

Internal Audit

Year Ended 31st March 2016



Prepared by: Mulberry & Co
Date of Interim Visit: 27th November 2015
Date of Final Visit:

Law and Regulation Regarding Internal audit

Regulation 6 of the Accounts and Audit (England) Regulations 2011 imposes a duty on local councils to 'maintain an adequate and effective system of internal audit of its accounting records and of its system of internal control in accordance with the proper practices in relation to internal control. Internal audit is a key component of the system of internal control.

The purpose of internal audit is to review and report to the council whether its systems of financial and other internal controls over its activities and operating procedures are effective.

Internal audit's role is to assist the council in fulfilling its responsibility to have and maintain proper internal control arrangements and those for the prevention and detection of fraud, error or mistakes

All internal audit work must be reported to the council. Any report by internal audit is addressed to the council, may recommend actions to be taken by the council, and should be treated as a document open to view by local taxpayers.

Two pieces of legislation set out how local councils should behave when accounting for the public funds they manage and what rights local taxpayers have in relation to those accounts. These are the **Audit Commission Act 1998** and the **Accounts and Audit Regulations issued from time to time under the Act**. The requirement for local councils to prepare accounts annually and to subject them to external audit comes from the Audit Commission Act 1998 (the Act). The Act describes the rights of taxpayers and other interested parties in relation to those accounts.

Under the regulations, all local councils must at least once a year conduct in accordance with proper practices a review of the effectiveness of their system of internal control and publicly report the outcome. The Annual Governance Statement in Section 2 of the annual return provides the means for local councils to report to local taxpayers on their system of internal control.

This report is prepared for the council and proper officers of the council named above, for use in fulfilling their obligations under the Audit Commission Act 1998 and the Accounts and Audit Regulations issued from time to time under the Act for preparing the Annual Return and reviewing the effectiveness of their system of internal controls. Mulberry and Co accept no responsibility for any action or inaction taken as a result of the findings of this report and accept no responsibility to any other party other than those named above.

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Summary Findings

I enclose my interim report for your kind attention and presentation to the council. I am pleased to report that overall the systems and procedures you have in place are entirely fit for purpose and I would go so far as to say are a model of good practice; I therefore make no recommendation for change at this stage. I would like to extend my thanks to Steve and Vivienne for their kind assistance this year and am pleased to see their high standard of work continues

My audit was conducted in accordance with current practices and guidelines and testing was conducted in line with the inherent risks assessment. Whilst I have not tested all transactions, my sample has where appropriate has covered the entire year to date. Amongst others the following areas were covered in my testing:-

- Review of the Financial Regulations & Standing orders
- Review of the Risk Assessments
- Review of the Budgeting process
- Proper Bookkeeping – review of the use of the Sage package.

A. BOOKS OF ACCOUNT

The brought forward balances were tested against last year's annual return and there were no errors. Accounting entries are entered regularly onto the Sage accounting system, and accounts are reconciled monthly, with hard copies printed off for the file. I was pleased to note that there is good documentary evidence to show that these are reviewed internally. The system is tried and tested and entirely fit for purpose for a council of this size. I make no recommendation for change at this stage.

B. FINANCIAL REGULATIONS

The Financial Regulations and Standing Orders were on site and to hand, they were taken to council in April 2015 with minor amendments made. These are current and up to date and evidence shows these are reviewed annually at least. I make no recommendation to change.

We chose at random items to test from the financial regulations as below:-

- Per FR 4.4 Internal Auditor appointed and council minuted as such.
- Per FR 5.2 Cheques are signed in accordance with financial regulations. IA has noted signatures on cheques.
- Per FR 6.1a Internet Payments are made in accordance with regulations. The system is much the same for cheques with three levels of authorisation. IA has noted additional compensating controls in the form of audit panel verification. The absence of this control would increase the risk of collusion through a lack of segregation of duties, but whilst this panel continues to monitor and scrutinise there is no risk evident.
- Per FR 7. Statutory obligations in respect of PAYE are met on a monthly basis. Council is considering living wages changes and auto enrolment and has made provision in the budget for these.
- Per FR 11. Regulations being followed in respect of discussion of quotes and getting best value for money.

C. RISK MANAGEMENT & INSURANCE

Insurance is in place and is current, adequate for a council of this size. Insurance agreement expires in 2020. Specialist advice taken out at time.

IA has noted council review of detailed risk register and signed minutes of the same.

D. BUDGET & PRECEPT

The budget is drawn up in the proper manner. The very detailed working enables sound and robust decisions to be made, and I therefore make no recommendation to change in this process. I note that at a precept level of circa £800k a general reserve balance of £400k i.e. 50% of precept would not be considered unreasonable. However, it is noted that the general reserve will be circa £300k by March 2016, and current indications that general reserves could be reduced by a further £150k in the 2017 year, this level of reduction would be considered putting the council's general reserve into financial distress. **Council needs to consider the RFOs proposals seriously, and discuss reserves provisioning in this regard.**

E. INCOME

TBC at year end

F. PETTY CASH

Petty cash was tested against receipts – and was reconcilable. However it is noted there is more in petty cash than shown on the accounts. **Council will need to ensure fully reconciled before the year end.**

G. PAYROLL

TBC at year end

H. ASSETS AND INVESTMENTS

The asset registers are up to date and properly maintained.

I. BANK RECONCILIATIONS

The bank reconciliations for all accounts are properly prepared and presented to council and committee for verification and approval. The system of reconciliation is working correctly.

J. YEAR END ACCOUNTS

TBC at year end

K. TRUSTEESHIP

TBC at year end

Mark Mulberry

Internal Auditor

27th November 2015.

Points Forward – Action Plan

Point Forward / Action needed	Auditor notes	Council response
Other		
None		

Overview of Council

	Work Task	Schedule Ref	Notes/Results
Terms of Engagement			
1	Review terms of engagement letter and confirm appropriate to this year		New engagement letter issued Engagement letter is kept on the correspondence file.
2	Confirm that the professional independence and competence questionnaire has been completed and agreed with the client	1.2	Yes – confirmed and attached
3	Complete Budget	1.3	Completed & Agreed with Client
4	Complete Timetable	1.4	Completed & Agreed with Client
Planning Notes – Understanding the Town & Parish Council			
	Number of electors and size of precept		12,764 (2014/15: 12,764) Precept £780k + Grant £62k (2014/15: Precept £750k + Grant £74k)
	Key personnel		Clerk & RFO Steve Brigden Assistant Clerk Fiona Garth Finance Officer Viv McLachlan
	Type of financial accounting in place i.e. Manual books, computerised system		Sage Accounts system – augmented with manual spread sheets Risk assessment software - LCRS
	Does the council carry out an annual risk assessment, and is it documented.		Yes. This is reviewed as a minimum annually.
	Does the council have a good control environment (evidence of internal reviews and counter signing of cheques etc)		There is evidence of regular internal review which is carried out council and committee Full Council circa 5 weekly Planning every 3rd Tuesday Grant Panels quarterly Working parties as and when
	Any significant changes since prior year (staff or procedures)		Enhancements made to procedures to coincide with new sections of financial regulations
	Any there any matters arising from last year's audit and/or management letter		None
	Matters arising from discussions with council, including whether there is any evidence of fraud or material misstatement.		None
	Key high risk or expected problem areas,		None

Professional Independence and Competence Questionnaire

The internal audit function must be sufficiently independent from the management of financial controls and procedures of the council which are the subject of review. The person or persons carrying out internal audit must be competent to carry out the role in a way that meets the business needs of the council.

There are two key principles, which all local councils must follow in setting up their internal audit function, regardless of how procured: **independence and competence**.

INDEPENDENCE	
Do you have any specific reliance on the fee to be earned from this assignment	No
Overdue fees	
Does the client/group of clients owe the firm any money which exceeds our normal credit terms?	No
Litigation	
Is there any actual or anticipated litigation between us and the client in relation to fees, audit work or other work?	No
Associated firms	
Are you or your staff associated with any other practice or organisation which has had any dealings with the client council?	No
Family or other personal relationships	
Do you or any of your staff have personal or family connections with the council or its officers?	No
Mutual business interest	
Do you or any of your staff have any mutual business interests with the client or with an officer or employee of the client?	No
Financial involvement	
Do you or your staff, or anyone closely related to you or any of your staff, have any financial involvement in the client in respect of the following:	
Any beneficial interest in shares or other investments?	No
Any loans or guarantees?	No
Goods and services: hospitality	
Have you or any of your staff accepted materials, goods or services on favourable terms or received undue hospitality from the council?	No
Ex-partners or senior staff	
Has any senior officer of the council been a partner or senior employee of the practice?	No
Is the partner or any senior employee on the audit team in negotiations to join the client?	No
Long association	
Have you been acting for more than 10 years? If yes, then consider rotation/engagement quality review. 5th Year of auditing	No
Provision of other services	
Do we provide any of the following services to the client:-	
Accounting services, book-keeping or payroll services	No
Staff secondments	No
IT services where we are involved in the design, provision or implementation of systems	No
Specialist valuations which are included in the accounts	No
Tax compliance work or tax planning	No

Corporate finance activities	No
Any advocacy services e.g. Tax commissioner hearings	No
Any services relating to the management of the council	No
Any other services that may cause a threat to the firm's objectivity or independence	No
Where any of the above have been answered 'yes', then specify below what safeguards are proposed to maintain integrity and independence:-	
Competence	
Consider the following matters prior to deciding to accept appointment/re-appointment as auditors:	
Are there any particular challenges and risks associated with this client?	No
Do we have sufficient expertise available to undertake this audit engagement?	Yes
Are there sufficient resources available to undertake this audit engagement?	Yes
Having regard to the safeguards identified, I am satisfied that we are independent and competent to perform this audit.	

Budget

		Hours
Planning & Systems Work	Interim Visit	4
File Review and reporting	Interim Visit	1
Financial Procedures	Final Visit	4
File review	Final Visit	1
Total Budget Hours		10
Hourly Rate		£50
Time Cost		£500
Other costs	Mileage	£90
Total Budgeted Cost		£590
Total Budgeted Fee		£750

Timetable

Autumn 2015	Planning and Interim Audit work
May 2016	Final Audit work
May 2016	Issue Audit Report & Letter

Systems Notes

Lewes Town Council is quality council there are three wards, Bridge, Castle and Priory. They are proactive in their work with the community; they have their own self-contained offices (Freehold owned) with meeting rooms available for public hire and significant land holdings. (113 Acres of common land with DC), site of Lewes Priory, the Pells, 8 allotment sites. The offices are open daily from 9.00 am to 5 Monday to Thursday and 4pm Friday. There are five or six members of staff on site at these times.

Expenditure:

Normal expenditure such as rates water, electricity, gas etc. is known in advance and budgeted for at the beginning of the year; for ad hoc expenditure such as stationery, repairs etc. this is firstly identified or reported to the clerk or RFO and a purchase order will be raised in triplicate. Quotes are obtained depending on the expense type and amount, for those amounts over £2,000 three quotes are obtained. However, if deemed appropriate or significant a quote will be obtained even if below the £2,000 limit. If the expense is greater than £60,000 it will go out to public tender.

The council has an internal system for processing purchase orders to ensure all expenses are properly accounted for. This system is robust and spot checking showed no errors. Expenditure has to be authorised by the council and this is achieved via budget approval. Clerk has a pre-authorised limit of £2,000.

Services are checked physically by the person ordering the service. Goods delivery notes are attached to the invoices and purchase orders if applicable.

Payment:

There is a regular payment run as and when required. Authorised signatories are invited to attend the offices to sign the cheques and verify the invoices and supporting documentation. The RFO then sends the payment to the supplier. The cheque is signed three times RFO Plus two others, the invoice or supporting document is also initialled. Payment is made by cheque or Direct debit. Invoices paid are filed alphabetically.

Petty Cash:

There is a £400 float in petty cash. Used for milk, tea coffee small sundries. Perhaps a dozen per month.

Income

Precept & Grant 85% - bacs
Rentals 10% - mostly cheque
Other 5% mostly cheque

Internal Checking

There is an audit and governance panel which meets on quarterly basis; which reports to full council. The audit subcommittee has 5 members, and their responsibilities are to:-

Review budgets and trends
Make recommendations to Council for changes in systems
POs and invoices are counter signed
Petty cash is checked quarterly

General Controls

The council has good general controls
Specified opening hours
Report against budget
Locked offices
Passwords on computers
External PC back up – off site

Staff

There are personnel files on all members of staff. Payroll processed in house using Sage

End of Year

The RFO prepares the accounts at the year end

Inherent Risk Assessment

Based on the above findings and discussions with council it is my opinion that the inherent risk within the systems of the council is categorised as follows

Work Task	notes	
Are standing orders and financial regulations regularly reviewed	Yes these were on site and were current and reference to a minute	Low Risk
Is council following its written Financial regulations & standing orders	Yes	Low Risk
Does the council have risk assessments in place and are these reviewed at least annually	Yes	Low Risk
Does the council have a committee or working party responsible for internal checking	Yes	Low Risk
Is there evidence of hierarchical review (counter signing bank rec, invoices etc)	Yes	Low Risk
Is there regular reporting against budget?	Yes	Low Risk
Are books and records maintained on a regular basis	Yes	Low Risk
Is the clerk under time pressure	No	Low Risk
Are there complicated transactions?	No complicated transactions	Low Risk
Any changes to key staff	No	Low Risk
Any changes in systems or procedures	No	Low Risk
Is all info on site and to hand?	All info on site and to hand	Low Risk
Any problems in the past	No problems in past	Low Risk
Are there any other factors to consider?	Records neat and tidy	Low Risk

Conclusion & Opinion

I discussed the system above with the RFO and reviewed an invoice picked at random, which contained all the details mentioned above.

The system in place is robust and entirely fit for purpose for a Parish Council of this size. There are good internal controls, policies and procedures in place which are reviewed on an annual basis.

I am of the opinion that the inherent risk in the system is low and would recommend a sample size of 10 when testing in detail and would also state that the internal controls can be relied upon.

Specific Audit Plan

Audit Area Section 4 Annual Return	Notes	Risk of error or misstatement	Tests	Ref
Appropriate books of account have been kept properly throughout the year.	SAGE package in place, limited and uncomplicated transactions	Low	Review transactions in cashbook make verbal enquiries. Test arithmetic.	A
The council's financial regulations have been met, payments were supported by invoices, all expenditure was approved and VAT was appropriately accounted for.	Good, simple system	Low	Review invoices and reconcile to cash book in detail. Review minutes and cheque books for authorisations	B
The council assessed the significant risks to achieving its objectives and reviewed the adequacy of arrangements to manage these.	Risk assessment policy written risk assessments carried out	Low	Review and comment	C
The annual precept requirement resulted from an adequate budgetary process; progress against the budget was regularly monitored; and reserves were appropriate	SAGE package used	Low	Review minutes for evidence of council discussion of the same	D
Expected income was fully received, based on correct prices, properly recorded and promptly banked; and VAT was appropriately accounted for.	Various streams of income	Low	Test to precept application and other documentation as appropriate	E
Petty cash payments were properly supported by receipts, all petty cash expenditure was approved and VAT appropriately accounted for.	Minimal petty cash	Low	Test to petty cash tin	F
Salaries to employees and allowances to members were paid in accordance with council approvals, and PAYE and NI requirements were properly applied.	Payroll processed using SAGE system in house	Low	Test rates and hours are authorised Test net wages to payments due	G
Asset and investments registers were complete and accurate and properly maintained.	Fixed asset register in place	Low	Review insurance schedule and cashbook for missing items off the register	H
Periodic and year-end bank account	Regular reconciliations on SAGE	Low	Test reconciliation in detail	I

reconciliations were properly carried out.				
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, were supported by an adequate audit trail from underlying records, and where appropriate debtors and creditors were properly recorded.	Income and Expenditure	Low	Test audit trail sufficient for electors rights	J
Trust funds (including charitable) The council met its responsibilities as a trustee.	Yes – no problems in the past	Low	Ensure separate meetings, bank and charity info up to date	K

End of interim report

The future of audit procurement and the Sector Led Body.

Dear Colleagues

please ignore the "confidential" designation of this document

We are pleased to announce that we have set up a company to procure audit services on your behalf. This letter officially invites you to become an opted in authority to this scheme.

When the previous Government abolished the audit commission, NALC and SLCC expressed concerns about the impact this would have on the workload of local councils and drainage boards. We successfully persuaded Government to enable us to nominate NALC and partners to form a Sector Led Body to procure your audit services simplifying arrangements and reducing the burden on you.

We also successfully persuaded Government to fund the start-up costs of £540,000 which otherwise the sector would have had to raise itself.

The attached note sets out further information, but at this stage you do not need to do anything unless you wish to opt out of the audit procurement arrangements, set up your own independent audit panel and procure relevant services. If you do not wish to participate you need to tell us by 31 January 2016 that you do not wish to participate and will be making your own arrangements.

If you do not opt out you will automatically be included in the arrangement for the next five years as stated in the regulations passed at the start of the year.

If you wish to opt out of the Sector Led Body Audit procurement you must let us know by 31 January 2016 by emailing slboptout@nalc.gov.uk or writing to:

Audit Opt Out
Sector Led Body
National Association of Local Councils
109 Great Russell Street
London
WC1B 3LD

This has been a real triumph for the sector resulting from good joint working between NALC, the ADA and the SLCC, working closely with DCLG.

Regards

Jonathan Owen – Chief Executive NALC



The Society of Local Council Clerks

Innes Thompson – Chief Executive ADA



National Association of Local Councils, Society of Local Council Clerks and the Association of Drainage Authorities.

Please ignore the "confidential" designation of this document

FACTSHEET - PROCUREMENT OF AUDIT FOR SMALLER AUTHORITIES

Auditing procedures for smaller authorities continue as before, but the procurement process will change from 2017.

From the start of the 2017/18 financial year smaller authorities, including parish and town councils and internal drainage boards, can choose to have an auditor appointed to them by a new 'sector-led body' or they can decide to procure their own, but they must have an auditor appointed as a legal requirement. We intend to call this procurement body the Smaller Authorities' Audit Appointments Limited.

This factsheet sets out how the new arrangements will work, what the new body will do, what it will offer to smaller authorities, and how you can opt out of having an auditor appointed to you and what you will then need to do.

Smaller authorities with a turnover of less than £25,000 will be exempt from having to submit an annual financial return, but will still need to have an auditor appointed in case there are questions from electors to be resolved. The SLB will be the first point of contact in such a case.

Background

The National Association of Local Councils (NALC) is working with the Department of Communities and Local Government (DCLG), Society of Local Council Clerks (SLCC) and Association of Drainage Authorities (ADA) on the establishment of a 'sector led body' to procure audit for smaller authorities for the 2017/18 financial year.

The new body will be responsible for procuring audit services for smaller authorities – this is all parish and town councils and internal drainage boards with an income of less than £6.5m – and for the management of these audit contracts for a period of five years.

The Local Audit and Accountability Act 2014 requires that from 2017, smaller authorities will appoint auditors through a 'sector led body' or opt out of such arrangements and appoint auditors locally. As before every authority must have an auditor.

The Smaller Authority Regulations¹ enabled the establishment of a sector-led, collective procurement body to appoint auditors and manage audit contracts. This approach acknowledges both the benefits of collective procurement and the important fact that smaller authorities may not have resources or capacity to individually appoint auditors locally.

¹ The Local Audit (Smaller Authorities) Regulations 2015 <http://www.legislation.gov.uk/ukdsi/2015/9780111126103>

National Association of Local Councils, Society of Local Council Clerks and the Association of Drainage Authorities.

Factsheet on the future of audit procurement and the Sector Led Body.

Audit of all smaller authorities remains mandatory and the creation of the body is aimed at easing the administrative burden, reducing costs and ensuring quality, while maintaining the opportunity for a local approach to auditor appointment.

The audit regime remains unchanged with limited assurance engagements being required from all authorities except those smaller authorities with zero expenditure, who will continue to confirm this annually in response to auditor requests.

One important change is that from 2017 those smaller authorities with a turnover below £25,000 will still be required to complete and publish an Annual Return, but will no longer be required to submit it for audit.

About the Sector-Led Body (SLB)

As previously stated, NALC, SLCC and ADA are currently working together to set up a 'sector led body' to procure audit for smaller authorities for the start of the 2017/18 financial year. This process is being supported and funded by DCLG.

As was the case with the former Audit Commission, the running costs of the new body will be funded from the audit fees charged to smaller authorities, but the overhead is planned to be lower as the SLB will not carry out a number of functions done by the former Audit Commission.

The board of the new body will comprise an independent chair, two independent members, and representation from NALC, SLCC and ADA. Secretariat support will be provided by NALC. The new body will have a Memorandum of Understanding with DCLG, who will have optional observer status, and who will also review and monitor progress and quality of SLB work.

The SLB will appoint auditors for **all those smaller authorities 'opted in' to the new arrangements.**

A tender process (compliant with European rules and regulations) will be completed by the end of September 2016.

The SLB will procure, deliver and manage the audit contracts; this will include specification of contract requirements, management of auditors, recording of all authorities opting in or out, communications and quality management of audit contracts.

Quality assurance of audits/limited assurance engagements will be conducted by a process to be managed through DCLG.

National Association of Local Councils, Society of Local Council Clerks and the Association of Drainage Authorities.

Factsheet on the future of audit procurement and the Sector Led Body.

The SLB will be charged with monitoring those smaller authorities who decide to 'opt out' and reporting those bodies to DCLG, confirming when they have appointed auditors locally.

What you need to do

Those smaller authorities who wish to participate in the SLB do not need to do anything as all smaller authorities are automatically opted in to the new body and will have an auditor procured for them.

This is aimed at helping the transition to new arrangements in 2017 to be as seamless as possible and with no disruption to your audit arrangements.

How to opt out of the new arrangements

However your council is entitled to opt out of the new arrangements. The decision to opt out must be through a formal meeting of the council, and as such every council who is eligible to opt-out needs to actually formally consider if they are going to.

If you wish to opt out of the Sector Led Body Audit procurement you must email slboptout@nalc.gov.uk or write to:

Audit Opt Out
Sector Led Body
National Association of Local Councils
109 Great Russell Street
London
WC1B 3LD

by 31 January 2016 (if you do not do so by that date the next chance to opt out will be in five years time)

All authorities who wish to opt out must make their own arrangements with auditors, which will include but is not limited to the following:

- establishing an Auditor Panel;
- following a statutory appointment process set out in regulations;
- appointing an auditor by 31 December 2016;
- providing the SLB with the contact details of your auditor.

Smaller authorities who 'opt out' but fail to appoint an auditor by the deadline will have an auditor appointed for them, as the appointment of an auditor is a legal requirement. Such an appointment may be at a considerably higher cost as the savings from the bulk procurement of auditors may not be available and there will be additional administrative charges.

A small fee will be charged for this to cover the whole five year period and will be payable before the start of the new audit arrangements in April 2017. These authorities may 'opt out'

National Association of Local Councils, Society of Local Council Clerks and the Association of Drainage Authorities.

but will still have to appoint auditors and meet the requirements set out above and it is highly likely this will be a far more expensive option.

It would be prudent of you to consider in your budget discussion funding to meet either the costs of audit if you are a council above £25,000 turnover, or the fee to access a an auditor from the Sector Led Body if you are a smaller council. The previous audit costs were negotiated several years ago and included some cross subsidy from larger councils so your costs in future years may increase. The one-off SLB fee is estimated to be less than £100, however this may be subject to change as the SLB is set up.

Timetable

SLB Chair and Board (Independent) roles advertised	Oct 2015
SLB set up as a corporate entity	Nov 2015
SLB Board in place	Nov 2015
Specification of Auditor procurement requirements start	Nov 2015
Local Authorities written to and informed of options	Nov 2015
Smaller authorities dealing to opt out of SLB arrangements	End Jan 2016
Specification of auditor requirements	End 2015
Procurement of auditor services starts	Start 2016
Auditors appointed by SLB	End Oct 2016
Opted out authorities to advise SLB of auditor appointments	Oct 2016
Auditors in place	Start 2017
Auditors start work	Start 2017/18 financial year
Auditors first reports	2 nd quarter 2018

Summary of Key points

- **New Audit arrangements come into force on 1 April 2017 requiring the set up a SLB**
- **NALC will be working in partnership with SLCC and ADA to set-up of the SLB**
- **The SLB will procure, deliver and manage the audit contracts to start 1 April 2017**
- **The SLB will appoint auditors for all those authorities opted in**
- **Authorities who opt out of the SLB arrangements will need to inform the SLB and will have to have appointed auditors by 31 December 2016**
- **The audit regime from 1 April 2017 remains unchanged using limited assurance engagements**

If you wish to opt out of the Sector Led Body Audit procurement you must let us know by 31 January 2016 by emailing slboptout@nalc.gov.uk or writing to:

Audit Opt Out
Sector Led Body
National Association of Local Councils
109 Great Russell Street
London
WC1B 3LD

Further information.

The Local Audit (Smaller Authorities) Regulations 2015

http://www.legislation.gov.uk/ukdsi/2015/9780111126103/pdfs/ukdsi_9780111126103_en.pdf

Local Audit and Accountability Act 2014

<http://services.parliament.uk/bills/2013-14/localauditandaccountability.html>

Transparency code for smaller authorities

<https://www.gov.uk/government/publications/transparency-code-for-smaller-authorities>

NOTICE OF MOTIONS PROPOSED

Notice has been received, as described below, of motions which are proposed for consideration by Council at its meeting on Thursday 17th December 2015

NOM 016/2015 – received from Cllr Rowell on 30th November 2015, in the following terms:

Lewes Town Council is concerned about the impact of climate change and as such believes it is important to reduce carbon emissions and that part of this process is to divest from financial institutions that fund or invest in fossil fuel extractive industries.

It is proposed that:

1. Lewes Town Council closes it's investment account with National Westminster Bank as soon as is practically feasible
2. Lewes Town Council invests it's surplus cash on the most advantageous terms with Nationwide Building Society as being the most highly rated ethical building society which has an A credit rating and operates business savings accounts that meet the policy objective set out below.

Supporting Information:

Climate change is today one of the most serious challenges facing societies around the world. There are many ways to combat climate change including harnessing renewable energy and Lewes Town Council would wish to facilitate such action. However, it is also accepted in some quarters that most fossil fuels need to be kept in the ground and not burnt if the world isn't to experience increases in global temperatures that will lead to runaway climate change (see <http://tinyurl.com/l8uwxo3>).

There is now a growing divestment movement which encourages individuals, companies, pension funds and charities to divest from companies that support fossil fuel extraction. Royal Bank of Scotland which owns National Westminster Bank had £15,530,000,000 assets in oil, gas and coal extraction in 2012 according to the following report (<http://tinyurl.com/psdagdd>). According to the same report it is 'Committed to finance fracking "with due diligence" to environmental and social risks. Criteria for assessing these risks not publicly available'. As well as financing fracking RBS is the 7th largest investor in tar sands which it has been calculated to produce 3 to 4 times more carbon emissions than conventional oil extraction and has been labelled 'the most destructive project on earth' (see www.environmentaldefence.ca).

Ethical Consumer Magazine provides a list of the most ethical banks and building societies (see <http://tinyurl.com/kvwxyz>). This list has been used to find the most appropriate bank/building society although the criteria used is not solely that pertaining to climate change.

The above provide a reason for changing banks on environmental grounds and ethical grounds.

However, moving to another bank makes sense on purely financial grounds too. The Nationwide offers an instant access business savings account paying 1%.

Nat West are currently paying LTC 0.05% on a deposit of £450,000 over 6 months. This will pay LTC £112.50 for the 6 months whereas if the £450,000 was invested with Nationwide it would receive £2,500.00, that is, 20 times more.

Town Council investment policies

Objective

4.1 The general policy objective for this Council is prudent investment of its balances. The Council's investment priorities are:-

- (i) the security of its reserves, and
- (ii) the liquidity of its investments.

4.2 The Council will aim to achieve a reasonable return on its investments commensurate with proper levels of security and liquidity.

All Lewes Town Council's investments will be those offering high security and high liquidity. This means that:-

(i) All investments will be made in sterling and any payments or repayments will also be made in sterling.

(ii) All investments will be short term investments which will not exceed a maximum of twelve months.

(iii) All investments will be made with a body or investment scheme which has been awarded a high credit rating by a credit rating agency*. (A high credit rating will be defined as 'A' 'High Credit Quality'.)

*A credit rating agency is defined in the guidance as one of the following three companies: Standard and Poor's; Moody's Investors Service Ltd; Fitch Ratings Ltd.

(iv) All investments will be made in UK banks and building societies, or other UK-domiciled and regulated institutions or funds.

Cllr A Rowell
30th November 2015

NOM 017/2015 – received from **Cllr Makepeace** on 7th December 2015, in the following terms:

It is proposed that:

A working party be set up by Lewes Town Council to improve the council's public engagement. Its remit should be to look at all forms of communication between the council and the public, electronic communication and other forms of written and spoken communications.

Supporting Information:

The Town Council exists to give a democratic voice to the community which pays for the council: communications must be open, honest, transparent, accessible.

The working group should seek advice from experts in the field of public communications where possible and should research examples of good practice from other local government bodies.

Cllr I Makepeace
7th December 2015

NOM 018/2015 – received from **Cllr Makepeace** on 7th December 2015, in the following terms:

It is proposed that:

1 The Mayor write a letter to the Southdowns and Eridge Hunt explaining that they are not welcome in the Town.

2 With regard to the anticipated road closure application for the 2016 Boxing Day meet of the Southdown & Eridge Hunt, Lewes Town Council will write to those organizations consulted by Lewes District Council, stating that the Town Council is opposed to granting the road closure

Supporting Information:

The Southdown and Eridge Hunt is proposing to commence its Boxing Day hunt in Lewes High Street, for which a road closure order has been issued.

This hunt has a history of associated violent acts stretching back some 10 years. Just last month, a protestor at the hunt was allegedly stabbed and a car attacked, leading to an arrest.

There are very strong suggestions that there will be protests at the hunt in Lewes if it goes ahead this Boxing Day, with the potential risks involved.

The Southdown and Eridge Hunt supports a return to hunting live prey, whereas polls consistently show that the majority of the British population are opposed to that.

For these reasons, I propose that the Mayor, on behalf of the Town Council, writes directly to the Southdown and Eridge Hunt to say that the Town Council is opposed to the Hunt commencing its Boxing Day meet in Lewes and that it is not welcome in Lewes.

Secondly, LDC says the following with regard to road closure applications:

“We consult with the following organisations: East Sussex County Council Highways, Sussex Police, Sussex Ambulance Service, East Sussex Fire & Rescue Service, East Sussex County Council Public Transport Co-ordinator, East Sussex County Council Legal Department and the local Town or Parish Council. We require consent from both Sussex Police and East Sussex County Council Highways before we can issue an Order.”

It also states that a minimum notice period of eight weeks is required.

It is therefore further proposed that, with regard to the anticipated road closure application for the 2016 Boxing Day meet, Lewes Town Council writes to the relevant authorities listed above (apart from ourselves) to state that the Town Council is opposed to granting the road closure for the reasons stated above.

Cllr I Makepeace
7th December 2015

Agenda Item No: 12 **Report No:** FC010/2015

Report Title: Fire Alarm system –Town Hall

Report To: Full Council **Date:** 17th December 2015

Report By: S Brigden, Town Clerk

Purpose of Report: To apprise Council of the results of surveys conducted due to problems arising from the extreme age of the fire alarm system at the Town Hall.

Recommendation(s):

- 1 That the quotation* in the sum of £28,597 be accepted for a replacement fire alarm system in the Town Hall, as described in this report. (**for reasons of commercial confidence, companies will be named following a decision*)

Information:

1 During April and May 2015 the Town Hall was evacuated three times due to fire alarm system activations, causing disruption to work and several third-party events in the building including a wedding. On each occasion the East Sussex Fire & Rescue Service (ESFRS) attended the emergency call and inspected the building before allowing re-entry. The system was reset without problem.

2 Subsequent emergency checks by the Council's contracted service provider found no indication of the cause on the first two occasions, but on the third it was established that the master control panel was failing due to aged components. The failure affects one zone, which covers the Corn Exchange and rear lobby areas of the building.

3 The master control panel is believed to date from the 1960's and utilizes completely outdated electro-mechanical technology for which no components are available. Consequently, the system was temporarily modified to mitigate further false alarms, but no permanent repair is possible.

4 Council considered a report (FC006/2015) on 18th June 2015 that proposed a first phase of a modular replacement system be installed immediately to address present need and a quotation had been provided in the sum of £5,814 for a part-system, fully-compliant with the relevant standard (BS5839-1:2013). This was agreed, but before works could be put in hand further malfunctions occurred in a separate zone, and caused reappraisal of the phased approach.

5 Further temporary modifications were made, and the system is checked frequently. Meanwhile three companies* have surveyed the building and the council's fire risk consultant was asked to comment upon installation features.

6 The first consideration is for safety of all occupants - this requires a category L system as defined by BS 5839. As a heritage-listed building, passive protection to the means of escape does not conform to current standards (*ie* lack of fire resisting doors protecting escape routes) and the minimum standard is an 'L4' system. This requires detection equipment in all escape routes and circulation areas such as corridors and stairways. The 'L3' standard requires installation such that in the event of fire people in rooms other than the point of origin will be given warning. The aim is to ensure sufficiently-early warning for escape before escape routes become impassable. An 'L2' system covers escape routes, rooms leading onto escape routes and areas of risk such as kitchens, boiler rooms electrical cupboards. L2 recognizes the fact that there is also "sleeping risk" such as with an occupied residential apartment, and is the appropriate standard for the Town Hall.

7 Three quotes* have been received, along with detailed specifications to the L2 standard. These are for £23,279; £28,597, and £35,996. The company offering the lowest cost initially submitted proposals that raised some concerns regarding their assessment, and it recommended that their quotation is not pursued. The highest cost is for a system that is completely hard-wired. The company quoting £28,597 displays particular sensitivity to the Heritage-listed status of the building, and proposes a system comprised of both hard-wired and wireless components. It is recommended that this be accepted.

Agenda Item No: 13

Report No: FC011/2015

Report Title: Roof repairs –Town Hall

Report To: Full Council

Date: 17th December 2015

Report By: S Brigden, Town Clerk

Purpose of Report: To apprise Members of repairs needed to the roof of the Assembly Room at the Town Hall, and emergency action taken to ensure public safety. A preliminary report outlining necessary consideration of major repairs.

Recommendation(s):

- 1 That the emergency action taken to erect safety scaffolding to the West elevation of the Town Hall complex, and initiation of an insurance claim, be noted.
- 2 That the options for permanent repairs as described in this report be referred to the Building repairs Working party for detailed consideration.

Information:

1 During the recent period of extreme high winds, between 24th and 27th November, a large and heavy section of terracotta ridge tile fell from the roof above the Assembly Room to Fisher Street below, shattering on impact. Luckily; no pedestrian or vehicle was affected.

2 Clarke Roofing (Southern) Ltd operatives were, coincidentally, on-site concluding the programme of restoration and refurbishment to the front (South) elevation of the Town Hall, and were asked to survey the damage and offer advice. Access was gained to a domestic property opposite, by kind permission of the owner. Photographs were taken and long-lens inspection allowed them to advise on the situation. Appended photographs and plans indicate the damage

3 Due to the location of the damage there is significant risk to public safety and this is increased by each further period of extreme weather and anticipation of snow later in the season. We therefore asked Clarke's to arrange an emergency scaffold to retain any further tiles that may be dislodged. This has been erected (photo attached) to current Health & Safety standards at a cost of £7,329 with potential additional costs of for licensing, alarm and lighting hire should the need extend beyond four weeks (which is likely):

Alarm and lighting: £55.00+ VAT per week after 4 weeks initial hire.

Licence: £70.00+VAT every 28 days.

This structure will moderate the risk to vehicles and pedestrians, and provided no major sections of tiling give way, the situation should be stable for at least several weeks without additional damage (*eg* to internal ceilings or structural timbers *etc*) while options are considered.

4 An insurance claim has been commenced, with a loss-adjuster appointed by the claims agents acting for our insurer, Zurich, although at time of writing there has been no inspection. Further information will be reported in due course.

5 The preliminary visual inspection by Clarke Roofing leads them to advise that the entire roof in that area of the Town Hall complex should be re-laid, as many peg-tiles are slipping dangerously, with aged battens and felting beneath. This brings forward consideration of repairs to the similarly aged and eroded slate roof and drainage guttering of the Corn Exchange and repainting of clerestory windows, fascias and soffits etc. The reasoning here is that these works depend upon the erection of complex scaffold structures which represent a significant component of the cost and to combine them would facilitate a design that would considerably reduce the overall cost. The order of costs, to provide context, indicate that all repairs would cost around £150,000, but as separate jobs could cost as much as 30% more. It is recommended that the Working Party mandated to commission buildings refurbishment at the Town Hall and Malling Community Centre be tasked with detailed consideration of this matter.

S Brigden

7th December 2015

Report FC011-2015 Town Hall roof repairs

page 1 of 1

Lewes Town Hall – Assembly Room roof (Fisher Street side) viewed looking East from top floor of building opposite (3a Fisher Street)

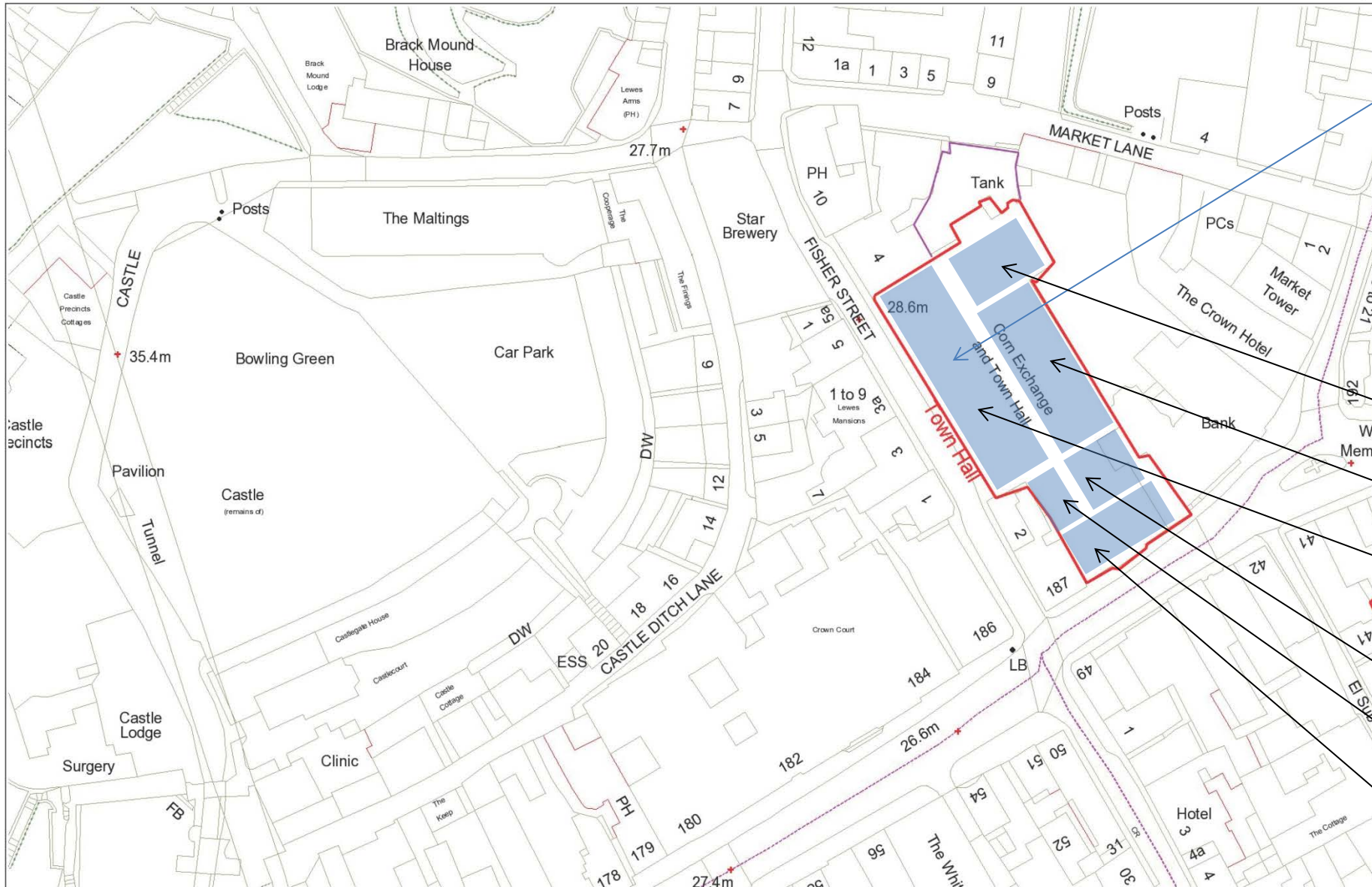
Ridge tile and tile damage – November 24th – 27th 2015



General view of Fisher Street façade, viewing North.

General area of roof damaged is ridge (not possible to photograph from ground level)





Approximate site of damage

Flat roof (slate/lead/felt)

Corn Exchange (Slate)

Assembly Room (peg tiles)

Flat link

Gabled Link (Slate)

Town Hall (Slate/lead)

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