

NORTH HERTFORDSHIRE DISTRICT COUNCIL



21 January 2026

Our Ref Council 29 January 2026
Contact Committee Services
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To: The Chair and Members of North Hertfordshire District Council

NOTICE IS HEREBY GIVEN OF A

MEETING OF THE COUNCIL

to be held in the

**COUNCIL CHAMBER, DISTRICT COUNCIL OFFICES, GERNON
ROAD, LETCHWORTH GARDEN CITY, SG6 3JF**

on

THURSDAY, 29TH JANUARY, 2026

at

7.30 PM

Yours sincerely,

Isabelle Alajooz
Director – Governance

****MEMBERS PLEASE ENSURE THAT YOU DOWNLOAD ALL AGENDAS AND REPORTS VIA THE MOD.GOV APPLICATION ON YOUR TABLET BEFORE ATTENDING THE MEETING****

Agenda **Part I**

Item	Page
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1. APOLOGIES FOR ABSENCE

2. MINUTES - 4 DECEMBER 2025

To take as read and approve as a true record the minutes of the meeting of the Committee held on the 4 December 2025.

3. NOTIFICATION OF OTHER BUSINESS

Members should notify the Chair of other business which they wish to be discussed at the end of either Part I or Part II business set out in the agenda. They must state the circumstances which they consider justify the business being considered as a matter of urgency.

The Chair will decide whether any item(s) raised will be considered.

4. CHAIR'S ANNOUNCEMENTS

Climate Emergency

The Council has declared a climate emergency and is committed to achieving a target of zero carbon emissions by 2030 and helping local people and businesses to reduce their own carbon emissions.

A Cabinet Panel on the Environment has been established to engage with local people on matters relating to the climate emergency and advise the council on how to achieve these climate change objectives. A Climate Change Implementation group of councillors and council officers meets regularly to produce plans and monitor progress. Actions taken or currently underway include switching to green energy, incentives for low emission taxis, expanding tree planting and working to cut food waste.

In addition the council is a member of the Hertfordshire Climate Change and Sustainability Partnership, working with other councils across Hertfordshire to reduce the county's carbon emissions and climate impact.

The Council's dedicated webpage on Climate Change includes details of the council's climate change strategy, the work of the Cabinet Panel on the Environment and a monthly briefing on progress.

Ecological Emergency

The Council has declared an ecological emergency and is committed to addressing the ecological emergency and nature recovery by identifying appropriate areas for habitat restoration and biodiversity net gain whilst ensuring that development limits impact on existing habitats in its process.

The Council has set out to do that by a) setting measurable targets and standards for biodiversity increase, in both species and quantities, seeking to increase community engagement, b) to work with our partners to establish a Local Nature Partnership for Hertfordshire and to develop Nature Recovery Networks and Nature Recovery Strategy for Hertfordshire and c) to investigate new approaches to nature recovery such as habitat banking that deliver biodiversity objectives and provide new investment opportunities.

Declarations of Interest

Members are reminded that any declarations of interest in respect of any business set out in the agenda, should be declared as either a Disclosable Pecuniary Interest or Declarable Interest and are required to notify the Chair of the nature of any interest declared at the commencement of the relevant item on the agenda. Members declaring a Disclosable Pecuniary Interest must withdraw from the meeting for the duration of the item. Members declaring a Declarable Interest, wishing to exercise a 'Councillor Speaking Right', must declare this at the same time as the interest, move to the public area before speaking to the item and then must leave the room before the debate and vote.

5. PUBLIC PARTICIPATION

To receive petitions, comments and questions from the public.

6. ITEMS REFERRED FROM OTHER COMMITTEES

17 - 24

- 6A) Standards Committee – Adoption of Updated Advice to Councillors on Outside Bodies – **to be considered with Item 13.**
- 6B) Standards Committee – Adoption of the Monitoring Officer Protocol – **to be considered with Item 14.**
- 6C) Finance, Audit and Risk Committee – Updated Financial Regulations – **to be considered with Item 8.**

Any other items referred to this meeting will be published as a supplementary document.

7. SECOND QUARTER TREASURY MANAGEMENT REVIEW 2025/26

25 - 46

REPORT OF THE DIRECTOR – RESOURCES

To update Cabinet on progress with delivering the treasury strategy for 2025/26, as at the end of September 2025.

8. UPDATED FINANCIAL REGULATIONS

47 - 92

REPORT OF THE DIRECTOR – RESOURCES

The last full review of the Council's financial regulations took place in 2018. There have been partial changes made that have resulted from organisational changes. They have also been kept under review for the need for any significant changes over that period, but none have been required.

9.	THE COUNCIL TAX REDUCTION SCHEME (EFFECTIVENESS AND PROPOSALS FOR 2026/27) REPORT OF THE DIRECTOR – RESOURCES	93 - 112
	This report sets out the context of Council Tax support, including the introduction of local schemes for working aged people from 2013.	
10.	ELECTORAL SERVICES - SCALE OF FEES 2026/27 REPORT OF THE DIRECTOR – RESOURCES	113 - 122
	To agree the Scale of Fees for electoral events held during 2026/27.	
11.	INTERIM REVIEW OF POLLING DISTRICT, POLLING PLACES AND POLLING STATIONS REPORT OF THE DEMOCRATIC SERVICES MANAGER	123 - 170
	To detail the outcome of the interim review of Polling Districts, Polling Places and Polling Stations following the Community Governance Review in 2025.	
12.	APPOINTMENT OF REPLACEMENT RESERVE INDEPENDENT PERSON REPORT OF DIRECTOR – GOVERNANCE AND MONITORING OFFICER	171 - 178
	The report seeks approval to appoint a replacement Reserve Independent Person with effect from the 29 January 2026 for a period of up to 4 years.	
13.	ADOPTION OF UPDATED GUIDANCE TO COUNCILLORS ON OUTSIDE BODIES REPORT OF THE DIRECTOR - GOVERNANCE AND MONITORING OFFICER	179 - 190
	To provide Members with an updated guidance document on the duties, obligations and liabilities that Councillor's will have if they are appointed to (or are on) an outside body, highlighting the main changes to the previous guidance.	
14.	ADOPTION OF THE MONITORING OFFICER PROTOCOL REPORT OF THE DIRECTOR - GOVERNANCE AND MONITORING OFFICER	191 - 220
	To provide Members with a proposed Monitoring Officer protocol and to note the recent guidance document on the Golden Triangle.	
15.	APPOINTMENT OF SUBSTITUTE, MEMBER, CHAIR AND VICE CHAIR OF THE FINANCE, AUDIT AND RISK COMMITTEE (AND NOTING THE APPOINTMENT OF THE DEPUTY LEADER OF COUNCIL, APPOINTMENT OF A NEW EXECUTIVE MEMBER FOR CUSTOMER EXPERIENCE AND APPOINTMENT TO OUTSIDE ORGANISATIONS) REPORT OF THE DEMOCRATIC SERVICES MANAGER	221 - 226
	To confirm the appointment of a new / replacement Member, Substitute Member/s, Chair and Vice Chair to the Finance, Audit and Risk Committee.	
16.	QUESTIONS FROM MEMBERS To consider any questions submitted by Members of the Council, in accordance with Standing Order 4.8.11 (b).	

17. NOTICE OF MOTIONS

To consider any motions, due notice of which have been given in accordance
with Standing Order 4.8.12.

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Public Document Pack Agenda Item 2

NORTH HERTFORDSHIRE DISTRICT COUNCIL

MINUTES

Meeting of the Council held in the Council Chamber, District Council Offices, Gernon Road, Letchworth Garden City, SG6 3JF on Thursday, 4th December, 2025 at 7.30 pm

PRESENT:

Councillors: Keith Hoskins MBE (Chair), Sadie Billing (Vice-Chair), Tina Bhartwas, Ian Albert, Daniel Allen, Amy Allen, David Barnard, Matt Barnes, Ruth Brown, Val Bryant, David Chalmers, Jon Clayden, Ruth Clifton, Sam Collins, Mick Debenham, Elizabeth Dennis, Emma Fernandes, Joe Graziano, Dominic Griffiths, Steve Jarvis, Tim Johnson, Chris Lucas, Ian Mantle, Nigel Mason, Bryony May, Ralph Muncer, Michael Muir, Lisa Nash, Sean Nolan, Steven Patmore, Louise Peace, Vijaiya Poopalasingham, Sean Prendergast, Martin Prescott, Emma Rowe, Claire Strong, Tamsin Thomas, Paul Ward, Laura Williams, Alistair Willoughby, Stewart Willoughby, Claire Winchester, Dave Winstanley, Donna Wright and Daniel Wright-Mason.

IN ATTENDANCE:

Isabelle Alajooz (Director - Governance and Monitoring Officer), Amy Cantrill (Trainee Committee, Member and Scrutiny Officer), Ian Couper (Director - Resources), Susan Le Dain (Committee, Member and Scrutiny Officer), James Lovegrove (Committee, Member and Scrutiny Manager), Anthony Roche (Chief Executive) and Melanie Stimpson (Democratic Services Manager).

ALSO PRESENT:

At the commencement of the meeting approximately eight members of the public.

52 APOLOGIES FOR ABSENCE

Audio recording – 1 minute 22 seconds

Apologies for absence were received from Councillors Caroline McDonnell, Sarah Lucas, Cathy Brownjohn, Rhona Cameron, Clare Billing and Tom Tyson.

53 MINUTES - 2 OCTOBER, 13 NOVEMBER 2025

Audio Recording – 1 minute 41 seconds

Councillor Keith Hoskins, as Chair, proposed and Councillor Daniel Allen seconded and, following a vote, it was:

RESOLVED: That the Minutes of the Meetings of the Committee held on 2 October and 13 November 2025 be approved as a true record of the proceedings and be signed by the Chair.

54 NOTIFICATION OF OTHER BUSINESS

Audio recording – 2 minutes 53 seconds

There was no other business notified.

55 CHAIR'S ANNOUNCEMENTS

Audio recording – 2 minutes 35 seconds

- (1) The Chair advised that, in accordance with Council Policy, the meeting would be recorded.
- (2) The Chair reminded Members that the Council had declared both a Climate Emergency and an Ecological Emergency. These are serious decisions, and mean that, as this was an emergency, all of us, Officers and Members had that in mind as we carried out our various roles and tasks for the benefit of our District.
- (3) The Chair drew attention to the item on the agenda front pages regarding Declarations of Interest and reminded Members that, in line with the Code of Conduct, any Declarations of Interest needed to be declared immediately prior to the item in question.
- (4) The Chair advised that the normal procedure rules in respect of debate and times to speak will apply.
- (5) The Chair advised that 4.8.23(a) of the Constitution did not apply to this meeting. A comfort break would be held at an appropriate time, should proceedings continue at length.

56 PUBLIC PARTICIPATION

Audio recording – 4 minutes 34 seconds

There was no public participation.

57 ITEMS REFERRED FROM OTHER COMMITTEES

Audio recording – 4 minutes 43 seconds

N.B. At the start of the Item, Councillor Martin Prescott declared an interest as he was the owner of a licensed business and left the Chamber for the duration of the debate and vote on referral 6A.

N.B. Councillor Sam Collins entered the Chamber at 19.37.

6B – Referral from Cabinet – Medium Term Financial Strategy 2025-2030

The Chair advised that referral 6B from Cabinet would be taken with the respective item on the Agenda.

6A – Referral from Licensing & Regulation Committee – Adoption of a Statement of Licensing Policy

Councillor Dave Winstanley, as Chair of Licensing & Regulation Committee, presented the referral from the Licensing & Regulation Committee and highlighted that:

- The policy needed to be adopted by January 2026 and would last for 5 years.
- The policy had remained mainly the same, as the existing policy was considered effective, with an update to data and some wording clarification.
- Links were made, in line with the Council's vision for licensing, to economic vitality and community wellbeing.
- Other updates were made to include references to drink spiking and the Women and Girls Safety Charter.

Councillor Dave Winstanley proposed and Councillor Daniel Allen seconded and, following a vote, it was:

RESOLVED: That the Statement of Licensing Policy, as amended, was adopted.

REASONS FOR DECISION:

- (1) Licensing authorities are required to publish a policy every five years by virtue of section 5 of the Licensing Act 2003 ("the Act").
- (2) A new policy must be published by 7 January 2026 to comply with this statutory requirement.
- (3) The proposed policy builds on the success of the previous and existing versions of the policy, whilst reflecting legislative changes and the Council's priorities.
- (4) Responses to the public consultation were limited and raised no significant opposition to any of the proposals.

N.B. Councillor Martin Prescott returned to the Chamber at 19.38.

58 MEDIUM TERM FINANCIAL STRATEGY 2026-30

Audio recording – 8 minutes 18 seconds

Councillor Ian Albert, as Executive Member for Resources presented the referral from Cabinet and the report and highlighted that:

- When the report was presented at Finance, Audit and Risk Committee, there was cross-party consensus with the proposed Strategy.
- The Strategy had been delayed to allow time to receive further clarification from central government regarding future funding.
- The Government published their funding policy statement on 20 November which has left fewer unknown figures from the original report; however, modelling of this kind can never be certain.
- Further clarity would come with the Local Government Settlement in late December 2025.
- After incorporating Business Rate gains and with Council Tax included the current estimate 2028/29 position would show a small increase in real terms.
- The Council had the pension triennial valuation results and due to the positive performance of the fund there would be a reduction in employer contribution by approximately £1.3 million per annum.
- It was therefore likely that a balanced Revenue Budget could be achieved with no, or minimal, savings.
- The Council should also have maintained a strong General Fund balance well above the minimum recommended level.
- The strategy set out in Appendix A follows the same format as previous strategies with specific references to Fair Funding Two, as well as the current uncertainty, which appeared to be reducing.
- The spread of £2.6 million on table one of Appendix A did not show worst- and best-case scenarios but two possible scenarios that could happen depending on government decisions.
- If savings were required, the Council would not look to make huge savings in 2026/27, but would make total savings by the end of 2028/29.
- The discretionary Council Tax scheme for those with terminal illnesses was being explored with Marie Curie.

Councillor Ian Albert proposed and Councillor Daniel Allen seconded.

As part of the debate, Councillor Paul Ward stated that:

- The final report had included an assessment of impact on the General Fund Reserve Balance, which was included at page 51, following a request at Finance, Audit and Risk Committee.
- There was a high degree of uncertainty in the financial outlook and indicated that in the positive case, at the proposed spending level and with no savings the Council would need to use 21% of general reserves and in the negative case that rises to 62%.
- However, this would still be above the minimum reserves levels of the Council in both cases.
- The Cabinet would need to consider what savings were required in the new year, having taken into account the priorities of residents.

Having been proposed and seconded and, following a vote, it was:

RESOLVED: That Council approved the Medium-Term Financial Strategy, as attached at Appendix A.

REASON FOR DECISION: Adoption of a Medium-Term Financial Strategy (MTFS) and communication of its contents will assist in the process of forward planning the use of Council resources and in budget setting for 2026/2027 onwards, culminating in the setting of the Council Tax precept for 2026/27 in February 2026. Alongside the Council Plan, this will support the Council in setting a budget that is affordable and aligned to Council priorities.

59 QUESTIONS FROM MEMBERS

Audio recording – 16 minutes 38 seconds

In accordance with Standing Order 4.8.11, three questions had been submitted by the required deadline set out in the Constitution.

(A) Council Street Naming Policy for new developments

Councillor Joe Graziano to Donna Wright, Executive Member for Place:

'Please outline the Street Naming Policy of the Council for new developments within the district?'

Councillor Donna Wright provided the response, as follows:

'The Council's approach to street naming and numbering is set out on the Council website, and our Officers have followed the same process for many years. The applicant is asked to complete an online application and suggest potential road names; these suggestions are reviewed to make sure they are appropriate using published criteria. This includes making sure the suggested name will not cause confusion with existing road names in the area. Local Councillors in relevant town or parish Councils are consulted where there is agreement, or no objection and Officers confirm the name. Relevant bodies such as Royal Mail, utilities and County Council advised. Where agreement cannot be reached within the consideration period, the matter can be referred to the relevant Committee Forum.'

Councillor Joe Graziano asked a supplementary question, as follows:

'Where several residents who live in an area have a right to complain or object to road naming because it is not in the community interest or they have not been listened to what is the process if any? Is it time we have an updated policy based on discretion not based on outdated statute dating back to 1847?'

Councillor Donna Wright provided the response, as follows:

'The Council has no particular powers or process to rescind or change the name of a street once it has been agreed. The developer can be advised to pursue the matter further if they wish and if they voluntarily approach the council to review the name, to which they previously agreed then a new consultation can take place.'

(B) Expansion of the Chilterns Area of Outstanding Natural Beauty

Councillor Ralph Muncer to Councillor Donna Wright, Executive Member for Place:

'To ask the Executive Member for Place what assessment has been made as to the benefits of expanding the Chilterns Area of Outstanding Natural Beauty across areas of North Hertfordshire?'

Councillor Donna Wright provided the response, as follows:

'For clarification areas of Outstanding Natural Beauty are referred to as National Landscapes in national policy and legislation, I guess as outstanding and beauty are subjective terms. Natural England were leading a project to consider changes to the boundaries to the Chiltern National Landscape but they announced this review had been cancelled in May 2025. This was reported to all Councillors through the Members Information Service in May and Cabinet in June.'

In terms of the assessment of the benefits of expanding the boundaries, when the project was cancelled, Natural England advised they were hoping to share the evidence base which had been collated in due course, to inform other projects. We are waiting for this information to be shared to see if or how that evidence might support appropriate council policies or designations in our local plan review.'

Councillor Ralph Muncer asked a supplementary question, as follows:

'The planning reforms bought in by the government have made speculative development in North Hertfordshire more likely, as seen by recent applications in Codicote, St Ippolyts and Ickleford and the expansion of areas of Outstanding National Beauty into areas of North Hertfordshire would have given those areas in North Hertfordshire greater and much needed protection against inappropriate development. Therefore will she take the opportunity tonight to condemn the decision of the Government to withdraw the funding and pause this crucial project, and will she commit to writing to the secretary of state for the department for the environment, food and rural affairs to encourage the Government to unlock this funding and ensure that this project can go ahead as planned under the previous Conservative Government.'

Councillor Donna Wright provided the response, as follows:

'We share the disappointment that this project was cancelled. Let's be clear, Natural England was left with impossible choices because of the funding short fall inherited from the last Government. It is a shame that under their watch this proposal did not progress far enough to secure priority for completion. The good news is that our local MP Alistar Stratham is actively engaging with Natural England to push for environmental investment in our area and as a Council we are not standing still. We are looking at how the data gathered can inform on our next local plan with public consultation starting next year.'

(C) Impact on local water courses from London Luton Airport

Councillor Ralph Muncer to Councillor Donna Wright, Executive Member for Place:

'To ask the Executive Member for Environment what assessment has been made as to the impact of London Luton Airport on local water courses in North Hertfordshire, including our rare and internationally important chalk streams?'

Councillor Donna Wright provided the response, as follows:

'The development consent order for Luton Airport expansion was granted by the Secretary of State in April 2025 following an extensive examination which explored many issues including the potential impact on the chalk aquifer and chalk streams. A study on the possible effects on the water environment was completed and all evidence, and recommendations and the Secretary of States decisions are available to view on planning expectorates website.'

Councillor Ralph Muncer asked a supplementary question, as follows:

'An unpublished environment agency report has highlighted alarmingly high levels of toxic chemicals in and around water courses near major airports, with the highest PFAS levels being recorded at London Luton Airport, in light of this what steps have been taken by the Council to hold the Airport accountable and ensure that our local water courses are unpolluted and clean.'

Councillor Donna Wright provided the response, as follows:

'Our Council plan recognises the importance of districts chalk streams this includes the Rivers Hiz and Mim which are closest to the area effected by the development area for the airport expansion. Our sustainability priorities says we will support efforts to protect our chalk streams. The DCO is subject to judicial review and we are waiting the outcomes of these proceedings. The Impact of the chalk streams has been rigorously assessed and as a council we are committed to safeguarding these vital habitats and we will act based on the legal outcome.'

60 NOTICE OF MOTIONS

Audio recording – 25 minutes 15 seconds

There were two motions submitted in accordance with Standing Order 4.8.12.

Before motions were considered, Councillor Keith Hoskins, as Chair, proposed that Standing Orders 4.8.12(d) and 4.8.12(e) be suspended for the item 'Notice of Motions'. This was seconded by Councillor Sadie Billing and, following a vote, it was:

RESOLVED: That Standing Orders 4.8.12(d) and 4.8.12(e) be suspended for the duration of Agenda Item 9 – Notice of Motions.

(A) Motion of No Confidence in the Leader of the Council

Councillor Ruth Brown proposed the motion as follows:

'This Council no longer has confidence in the Leader of the Council.'

As such Council resolves:

'That the current Leader of the Council is removed.'

Councillor David Chalmers seconded the motion. Councillors Dominic Griffiths, Matt Barnes and Paul Ward confirmed that they were the three further signatories required for such a motion.

The following Members took part in the Debate:

- Councillor Dominic Griffiths
- Councillor Ralph Muncer

- Councillor Donna Wright
- Councillor Daniel Wright-Mason
- Councillor Matt Barnes
- Councillor Laura Williams
- Councillor Tamsin Thomas
- Councillor Steven Patmore
- Councillor David Chalmers
- Councillor Sadie Billing
- Councillor Joe Graziano
- Councillor Val Bryant
- Councillor Emma Fernandes
- Councillor Claire Strong
- Councillor Paul Ward
- Councillor Amy Allen
- Councillor Nigel Mason
- Councillor Ian Albert
- Councillor Mick Debenham
- Councillor Dave Winstanley
- Councillor Vijaiya Poopalasingham
- Councillor Claire Winchester
- Councillor Daniel Allen

N.B. During the debate Councillor Dominic Griffiths left the Chamber and returned at 20:27, Councillor Joe Graziano left the Chamber and returned at 20:38, Councillor Ruth Clifton left the Chamber and returned at 20:41, Councillor Tina Bhartwas left the Chamber and returned at 20:45, Councillor Alistair Willoughby left the Chamber and returned at 20:45, Councillor Sean Nolan left the Chamber and returned at 20:46, Councillor Steven Patmore left the Chamber and returned at 20:47, Councillor Sean Prendergast left the Chamber and returned at 20:47.

Points raised during the Debate included that:

- Redebating the points of Local Government Reorganisation (LGR) debate was not the point of this motion.
- Trust had been broken between the Leader of the Council and members of the opposition.
- The process of removing the current leader and electing a new leader would cost time and resources which was unnecessary.
- Of the eleven Hertfordshire councils, six of chose to submit the 4 unitary model on LGR to National Government.
- Regardless of the decision of the Council, the Government had the final say on LGR, so the decision taken at Cabinet was redundant.
- The Leader of the Council has given lots to the community in his time as Leader.
- Without an elected Leader, certain decisions cannot be made which would slow down all processes, including any decisions relating to LGR.
- The argument that four Unitary Authorities was the preference of the public was not relevant, given only 587 responses were received to the consultation, out of a population of 133,000 in the district.
- Under this Leadership the council has made strides towards being net zero by 2030.
- Difficult decisions had to be made as part of LGR - deciding to agree with the consensus of Council would have been the easy decision.
- The Leader had encouraged Cabinet members to have a sense of self pride and do the best they can within their roles as Executive Members.
- Trust once broken was hard to mend and telling the public about a private conversation between two Councillors has broken that trust in the Leader.
- A responsible Leader would have listened to Full Council. By not listening to Members, the Leader had demonstrated a lack of respect to fellow Members.

After the conclusion of the debate, under Standing Order 4.8.16(d), Councillor Ralph Muncer requested that the vote take place via ballot. This request was supported by Councillors Claire Strong, Joe Graziano, Steven Patmore, Michael Muir, Martin Prescott and David Barnard.

Having been proposed and seconded, and following a ballot vote, it was:

RESOLVED: That the current Leader of the Council was removed.

VOTE TOTALS:

YES	:	25
ABSTAIN	:	1
NO	:	19

Following the result, Councillor Daniel Allen thanked the Officers at the Council for their dedication to delivering for residents and the Chief Executive for his leadership and support. He reassured members of the public that services and progress would still be delivered by the Council.

Following the removal of the Leader of the Council, the Chair called for nominations for Leader of the Council. There were no nominations proposed and therefore it was advised that this item would be presented to an Extraordinary Council meeting on Tuesday 13 January 2026.

N.B. At 21:18 the was a comfort break and the meeting reconvened at 21:30. During the break Councillors Dominic Griffiths, David Barnard and Lisa Nash left the Chamber and did not return to the meeting.

(B) The Local Government Pension Scheme & Responsible Investment

Councillor Dave Winstanley proposed the motion as follows:

'North Hertfordshire District Council (NHDC) and its staff contribute toward the Hertfordshire Local Government Pension Scheme (LGPS) which is managed through Hertfordshire County Council's Pension Committee (HPC). The overwhelming majority of past and present NHDC staff are scheme members.'

The Hertfordshire LGPS directly, or indirectly via the ACCESS pool, holds and therefore benefits from shareholdings or funds that have underlying shareholdings, in companies that profit from conflict through the manufacturing of weaponry, and military technology and are alleged to be used in atrocities internationally today.

It also invests in various corporate entities which according to an International Court of Justice (ICJ) ruling and subsequent United Nations opinion, are associated with human rights violations and international crimes.

It has been calculated that just under £100 million of the £6 billion pension fund is invested in these companies.

Residents expect councils to invest public funds in ways that are ethical, responsible and transparent.

This motion requests that HPC withdraw any links - through these investments - to supporting war, weapons manufacturing, military technology, or any other business activities that breach international law.

Council therefore resolves:

1. To instruct the Acting Leader of the Council to write formally to the Pensions Committee of Hertfordshire County Council to:
 - a. Express our concerns above, and request that under its fiduciary duty, it takes action to divest from all pension fund investments in companies that profit from the manufacture of weapons and military technology used contrary to international law, and from any companies found to be profiting from business activity which is illegal under international law.
 - b. Request the Hertfordshire Pension Fund to apply Environmental, Social, and Governance (ESG) standards to not just directly held managed funds but also pension fund assets pooled with ACCESS.
 - c. Request that the Hertfordshire Pension Committee will regularly disclose details of all holdings (including directly managed and those pooled with ACCESS) annually for the public to see that the fund is complying with International Law.
2. Council further instructs that at the next scheduled review of North Hertfordshire District Council's own Investment Strategy; the review specifically considers how to align with the above investment principles.'

Councillor Daniel Wright-Mason seconded the motion.

The following Members took part in the Debate:

- Councillor Daniel Wright-Mason
- Councillor David Chalmers
- Councillor Vijiya Poopalasingham
- Councillor Sean Nolan
- Councillor Daniel Allen
- Councillor Donna Wright
- Councillor Ian Albert

Points raised during the Debate included that:

- Other pension providers already comply with ethical investment practices.
- This would not result in weakening the pension as there was evidence that ethical investment was also fiscally responsible.
- Legal obligations should be met in all aspects of the Council's responsibility.
- Money invested by the Council should meet the ethical standards of the Council, including the pension scheme.

N.B. Councillor Emma Rowe declared an interest due to the employment of a close relative and did not take part in the vote.

N.B. Councillor Paul Ward declared an interest due to his employment and did not take part in the vote.

Having been proposed and seconded, and following a vote, it was:

RESOLVED: That Council

1. Instructed the Acting Leader of the Council to write formally to the Pensions Committee of Hertfordshire County Council to:
 - a. Express our concerns above, and request that under its fiduciary duty, it takes action to divest from all pension fund investments in companies that profit from the manufacture of weapons and military technology used contrary to international law,

Thursday, 4th December, 2025

and from any companies found to be profiting from business activity which is illegal under international law.

- b. Request the Hertfordshire Pension Fund to apply Environmental, Social, and Governance (ESG) standards to not just directly held managed funds but also pension fund assets pooled with ACCESS.
 - c. Request that the Hertfordshire Pension Committee will regularly disclose details of all holdings (including directly managed and those pooled with ACCESS) annually for the public to see that the fund is complying with International Law.
2. Instructed that at the next scheduled review of North Hertfordshire District Council's own Investment Strategy; the review specifically considers how to align with the above investment principles.

The meeting closed at 9.48 pm

Chair

Agenda Item 6

Item No	Referred from:	Standards Committee
6A	Date:	22 October 2025
	Title of item:	Adoption of Updated Guidance to Councillors on Outside Bodies
To be considered alongside agenda item:	13	

The report considered by Licensing and Regulation Committee at the meeting held on 22 October 2025 can be viewed here: [Agenda for Standards Committee on Wednesday, 22nd October, 2025, 7.30 pm | North Herts Council](#)

RECOMMENDED TO FULL COUNCIL: That Full Council approve and adopt the updated guidance for Councillors.

REASONS FOR REFERRAL:

- (1) The Council's current guidance to Councillors on Outside Bodies was last updated in 2016.
- (2) A full review of the guidance to Councillors on outside bodies has been necessary to ensure:
 - a. Councillors are aware of their liabilities based on the type of organisation which they are appointed to and the risks associated with these appointments both to the Councillor and the Council.
 - b. That the guidance available to Councillors aligns with the updated statutory position and also best practice.

Audio recording – 10 minutes 47 seconds

The Monitoring Officer presented the report entitled 'Adoption of Updated Guidance to Councillor on Outside Bodies' and advised that:

- The guidance document would provide clear and practical guidance to Members appointed to Outside Bodies, including expectations, liabilities and responsibilities.
- The previous guidance was updated in 2016 and therefore this update was required to bring the guidance in line with current practices, especially given the increase in partnership working.
- There was no change to the overall principles of the previous guidance, but it simplified the information to make it easier for Members to understand their responsibilities as appointees on Outside Bodies.
- If approved at Full Council, the guidance would be circulated to all Members and would be included within the Constitution.

The following Members asked questions:

- Councillor Ian Albert
- Councillor Sean Nolan
- Councillor Paul Ward
- Councillor Ian Mantle

In response to questions, the Monitoring Officer advised that:

- Training could be provided on this as part of the next Code of Conduct training session for Members. This would help to understand requirements of any specific appointment, but the guidance document included practical examples to simplify the overall process for Members.
- Members should contact the Monitoring Officer with any specific questions on interests related to Outside Body appointments.
- If there was a potential conflict identified, then this would be addressed with the Member. It was important that Members understood when they were able, or not able, to take part in Council business related to Outside Bodies.
- The guidance would apply to appointees of charities and charitable organisations, and this was detailed in the document.
- Information regarding the position of the appointed Member on an Outside Body could be included within the paperwork completed ahead of the Annual Council meeting.

The Independent Person noted that he commended the document for adoption and that it would support with the assessment of complaints received and understanding any potential conflict of interests.

Councillor Ian Albert, as Chair, proposed and Councillor Keith Hoskins seconded and, following a vote, it was:

RECOMMENDED TO FULL COUNCIL: That Full Council approve and adopt the updated guidance for Councillors.

REASONS FOR REFERRAL:

- (1) The Council's current guidance to Councillors on Outside Bodies was last updated in 2016.
- (2) A full review of the guidance to Councillors on outside bodies has been necessary to ensure:
 - a. Councillors are aware of their liabilities based on the type of organisation which they are appointed to and the risks associated with these appointments both to the Councillor and the Council.
 - b. That the guidance available to Councillors aligns with the updated statutory position and also best practice.

Item No	Referred from:	Standards Committee
6B	Date:	22 October 2025
	Title of item:	Adoption of the Monitoring Officer Protocol
To be considered alongside agenda item:	14	

The report considered by Licensing and Regulation Committee at the meeting held on 22 October 2025 can be viewed here: [Agenda for Standards Committee on Wednesday, 22nd October, 2025, 7.30 pm | North Herts Council](#)

RECOMMENDED TO FULL COUNCIL: That Full Council approve and adopt the Monitoring Officer Protocol into the Constitution, subject to the comments and changes put forward by the Standards Committee.

REASON FOR RECOMMENDATION:

- (1) The role of the Monitoring Officer has expanded over recent years. Monitoring Officers are also required to act as consultants to anyone within the Council on matters of legality, maladministration, and impropriety.
- (2) It is therefore considered that it would be good practice for the Council to introduce an appropriate Protocol.
- (3) In August 2025, Lawyers in Local Government (LLG), the Chartered Institute for Public Finance & Accountancy (CIPFA) and the Society for Local Authority Chief Executives & Senior Managers (SOLACE) collaborated to produce a new guide: 'The Golden Triangle: Governance Roles and Responsibilities' (attached at Appendix 2). Members are invited to give consideration to this guidance to enhance their overall understanding of the interwoven nature of the roles of the three statutory officers within the Council.

Audio recording – 20 minutes 06 seconds

The Monitoring Officer presented the report entitled 'Adoption of the Monitoring Officer Protocol' and advised that:

- In recent years there had been more of an emphasis placed on ethical conduct, and this document sought to formalise how this worked at North Herts Council and outlined how the roles can be carried out effectively and independently.
- It would help to ensure that the role of the Monitoring Officer was understood by all, including Members, Officers and the public, and would embed the 'Golden Triangle' of roles within the Constitution.

The following Members asked questions:

- Councillor Ralph Muncer
- Councillor Paul Ward
- Councillor Ian Albert

In response to questions, the Monitoring Officer advised that:

- The term 'reportable instances' related to something which was reportable to the Monitoring Officer, which would cover Councillor Complaints, as well as other areas such as whistleblowing and safeguarding.
- If a complaint was received in relation to a politically charged matter, it may be best to refer the matter out to a neighbouring authority to ensure that there was a level of independence in the assessment of the complaint. This was allowed under the Complaints Handling Procedure.
- The Monitoring Officer role was appointed under the 1989 Act and the role was required to ensure all decisions of the Council were made lawfully. The Monitoring Officer should review and approve all decisions before being taken and no other Officer is able to do that within their role. Therefore, the Monitoring Officer role was described as 'front and centre' so that colleagues understood the oversight role of the Monitoring Officer within the decision making process of the Council.
- There were clear examples from other authorities where the role of the Monitoring Officer in decision making was unclear and the consequences this can have on the authority.
- The Monitoring Officer was not required to have oversight of decisions taken at Parish level.
- However, the Monitoring Officer was responsible for complaints made against Parish Councillors. The Complaints Handling Procedure outlined the need to assess and investigate complaints relating to Parish Councillors, and whilst a local resolution would be sought in the first instance, if this was not possible the normal criteria would apply for assessing these complaints.
- Should a complaint be received against a Parish clerk, this would be an employee matter as the clerk is not an elected position and therefore not covered by the Code of Conduct, and the Monitoring Officer would not be involved in these matters.
- The adoption of this Protocol into the Constitution would be for Full Council to consider and approve before formal incorporation.

As part of the debate, Councillor Ralph Muncer suggested that additional clarity should be added to make it clear what a 'reportable incident' was and that examples of when neighbouring authorities may be required to assist in assessments of complaints received should be included in the Protocol document.

Ahead of the vote, the Independent Person noted that there were small errors on pages 41 and 42 of the reports pack, including that complaints would be assessed prior to any investigation and reference to the Independent Member, rather than Independent Person.

In response to points raised, the Monitoring Officer thanked Members for their comments and suggestions to help ensure this was appropriate for both Members and Officers to understand. These amendments could be incorporated into the updated report which would be presented to Full Council, alongside the referral from this meeting.

Councillor Ralph Muncer proposed and Councillor Keith Hoskins seconded and, following a vote, it was:

RESOLVED: That the Committee noted the guidance attached at Appendix 2 titled 'The Golden Triangle: Governance Roles and Responsibilities'.

RECOMMENDED TO FULL COUNCIL: That Full Council approve and adopt the Monitoring Officer Protocol into the Constitution, subject to the comments and changes put forward by the Standards Committee.

REASON FOR RECOMMENDATION:

- (1) The role of the Monitoring Officer has expanded over recent years. Monitoring Officers are also required to act as consultants to anyone within the Council on matters of legality, maladministration, and impropriety.
- (2) It is therefore considered that it would be good practice for the Council to introduce an appropriate Protocol.
- (3) In August 2025, Lawyers in Local Government (LLG), the Chartered Institute for Public Finance & Accountancy (CIPFA) and the Society for Local Authority Chief Executives & Senior Managers (SOLACE) collaborated to produce a new guide: 'The Golden Triangle: Governance Roles and Responsibilities' (attached at Appendix 2). Members are invited to give consideration to this guidance to enhance their overall understanding of the interwoven nature of the roles of the three statutory officers within the Council.

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Item No	Referred from:	Finance, Audit and Risk Committee
6C	Date:	7 January 2026
	Title of item:	Updated Financial Regulations
To be considered alongside agenda item:		Agenda Item 7

The report considered by Finance, Audit and Risk Committee at the meeting held on 7 January 2026 can be viewed here: [Agenda for Finance, Audit and Risk Committee on Wednesday, 7th January, 2026, 7.30 pm | North Herts Council](#)

RECOMMENDATION TO COUNCIL: That Finance, Audit and Risk Committee comment on the proposed changes to the Financial Regulations and recommend to Full Council their adoption in the Constitution.

REASON FOR RECOMMENDATION: Due to the passage of time since the last major review of the Financial Regulations, it was considered appropriate to carry out a full review. The proposed changes are detailed in Appendix A alongside the reasons for them.

Audio recording – 1 hour 24 minutes 49 seconds

The Director – Resources presented the report entitled ‘Updated Financial Regulations’ and highlighted that:

- The Council was required to update the Financial Regulations regularly. There had been no major changes to the existing Financial Regulations, with the changes mainly being minor.
- There was reference to both the Director – Resources and the Chief Financial Officer (CFO) within the report, this was to reflect that although he covered both roles, in cases of absence. The CFO role was required to be deputised by a qualified accountant, whereas the Director role could be covered by any of the managers within the Directorate.
- It was good practice to have a 10-year capital plan in place, including with the move across to a new authority following the Local Government Reorganisation process.
- As part of the report to Council, where this will be referred onto, the reference at 12.5 of the Appendix should be to ‘land and property’, although just ‘land’ was referenced currently.
- A change of wording was required to clarify the identification of risks at 14.6 of the Appendix.
- Point 14.8 had been duplicated and this duplication, and re-ordering of numbering throughout, would be updated ahead of Council.
- Reference to petty cash was included within these regulation updates, although this was used minimally at the authority. The limit for this may be proposed to be set at £20, from £10, for the Council report.
- It was important to have cover for gift cards, as these were of cash value, which were provided in certain circumstances by the authority, such as community engagement and Staff Recognition Award winners.

The following Members asked questions:

- Councillor Paul Ward
- Councillor Ruth Brown

- Councillor Vijaya Poopalasingham
- Independent Member John Cannon

In response to questions, the Director – Resources advised that:

- Stamps were referred to under the petty cash section as these were a cash value, and it was important to cover.
- There were some minor policy changes, which generally reflected how things were already done and adopting this into the Financial Regulations.
- The Executive Member could add new projects up to £100k, not to approve overspend beyond the Council projects agreed at the start of the year. There were occasions when new projects could be added. This addition was to clarify the position.
- There was a change to practice outlined at 5.7 of the Appendix, which outlined that any overspend over the limits outlined at 5.6 should mean the project spend should stop immediately. However, there were examples where this could not be done, otherwise the Council would incur further costs.
- The lead responsibility for feeder systems was mainly a joint effort between the Budget Manager and the Chief Financial Officer. The former ensures information coming out was accurate, and the CFO ensures information inputted to the system was accurate.
- The progress on audit actions for medium and high risk projects was recorded on Ideagen, and it was for the Service Manager to ensure these were delivered. The Performance and Risk Officer ensured that updates were made within the system and reports on this are circulated to Leadership on a regular basis.
- There was a two stage process for payments made by BACs or CHAPs, to split the responsibility and ensure that one Officer could not do the whole payment process.
- All card payments go into the bank account of the Council without intervention.
- The raising and payment of invoices was completed through the finance system at the Council, with all the controls and risk mitigations contained within the system itself.
- The SIAS review of the general Risk Management was conducted last in April 2023. Whilst there had not been major changes to this, it was likely this would be included in the Audit Plan for 2026/27.
- The overspend limits outlined in the table at 5.6 of the Appendix could possibly be simplified ahead of the Council consideration.
- If the Council was to invest in cryptocurrency, then that would be included in the Investment Strategy. However, that was not recommended.
- It could be possible to include within the Financial Regulations that the Council would not accept cryptocurrencies for payment.
- A communication would be distributed to all managers about the new Financial Regulations, who would be expected to ensure the message was communicated downwards to their staff.

Councillor Vijaiya Poopalasingham proposed and Councillor Paul Ward seconded and, following a vote, it was:

RECOMMENDATION TO COUNCIL: That Finance, Audit and Risk Committee comment on the proposed changes to the Financial Regulations and recommend to Full Council their adoption in the Constitution.

REASON FOR RECOMMENDATION: Due to the passage of time since the last major review of the Financial Regulations, it was considered appropriate to carry out a full review. The proposed changes are detailed in Appendix A alongside the reasons for them.

COUNCIL
29 January 2026

***PART 1 – PUBLIC DOCUMENT**

TITLE OF REPORT: SECOND QUARTER TREASURY MANAGEMENT REVIEW 2025/26

REPORT OF: DIRECTOR - RESOURCES

EXECUTIVE MEMBER: RESOURCES

COUNCIL PRIORITY: SUSTAINABILITY

1 EXECUTIVE SUMMARY

- 1.1 To update Cabinet on progress with delivering the treasury strategy for 2025/26, as at the end of September 2025.
- 1.2 To inform Cabinet of the Treasury Management activities in the first six months of 2025/26. The current forecast is that the amount of investment interest expected to be generated during the year is £1.980M. This is an increase of £0.155M on the estimate reported in the 1st quarter report.

2 RECOMMENDATIONS

- 2.1 That Cabinet recommends to Council that it notes the position of Treasury Management activity as at the end of September 2025.

3. REASONS FOR RECOMMENDATIONS

- 3.1 To ensure the Council's continued compliance with CIPFA's code of practice on Treasury Management and the Local Government Act 2003 and that the Council manages its exposure to interest and capital risk.

4. ALTERNATIVE OPTIONS CONSIDERED

- 4.1 The primary principles governing the Council's investment criteria are the security of its investments (ensuring that it gets the capital invested back) and liquidity of investments (being able to get the funds back when needed). After this the return (or yield) is then considered, which provides an income source for the Council. In relation to this the Council could take a different view on its appetite for risk, which would be reflected in the Investment Strategy. In general, greater returns can be achieved by taking on greater risk. Once the Strategy has been set for the year, there is limited scope for alternative options as Officers will seek the best return that is in accordance with the Investment Strategy

5. CONSULTATION WITH RELEVANT MEMBERS AND EXTERNAL ORGANISATIONS

5.1 There are regular updates and meetings with Treasury advisors (MUFG, previously known as Link).

6. FORWARD PLAN

6.1 This report contains a recommendation on a key Executive decision that was first notified to the public in the Forward Plan on the 21st November 2025.

7. BACKGROUND

7.1 In February 2025, Council approved a Revenue Budget and Investment Strategy for 2025/26 to 2034/35. The reports for Capital and Treasury have been split for the quarterly monitoring updates.

7.2 MUFG are contracted to provide Treasury advice. The service includes:

- Regular updates on economic and political changes which may impact on the Council's borrowing and investment strategies
- Information on investment counterparty creditworthiness
- Technical updates
- Access to a Technical Advisory Group.

8. RELEVANT CONSIDERATIONS

8.1 The Council has £122.0M of capital assets that it currently owns. The Investment Strategy set out the reasons for owning assets that are not for service delivery, including an assessment of Security, Liquidity, Yield and Fair Value. There have been no significant changes in relation to these since the last quarter.

8.2 The Council invests its surplus cash in accordance with the Investment Strategy (see paragraph 4.1). This surplus cash is made up of capital funding balances, general fund balance, other revenue reserves and provision balances and variations in cash due to the timing of receipts and payments. During the first six months of 2025/26, the Council had an average investment balance of £52.7M and invested this in accordance with the treasury and prudential indicators as set out in the Integrated Capital and Treasury Management Strategy. However, during the period ended 30 September 2025 there was an over investment with one counterparty. £4M was invested with Blackpool Council against a limit of £3M. This over-investment was for the period from 22/08/25 to 15/12/25. This was due to a mistake in recording and checking against previous deals that had already been made. This process can be difficult as there are more instances of other Councils looking for forward dated deals. A further checking process (with another Officer involved) has been put in place to help ensure this does not happen again.

8.3 The Council has generated £1.605M of interest in 2025/26 from investments already made during the first six months of the year (and accrued interest from deals made in 2024/25). This includes the interest that will be earned during the remaining six months of the year on investments that have already been made. The average interest rate on all outstanding investments at the 30th September was 4.25%. (30th June was 4.51%). Based on current investments and forecasts of interest rates and cash balances for the remainder of the year, it is forecast that the Council will generate £1.980M of interest over the whole of 2025/26.

8.4 As at 30th September 2025, the split of investments was as shown in the table below.

Banks	13%
Building Societies	4%
Government	17%
Local Authorities	66%

8.5 The level of risk of any investment will be affected by the riskiness of the institution where it is invested and the period that it is invested for. Where an institution has a credit rating this can be used to measure its riskiness. This can be combined with the period remaining on the investment to give a historic risk of default percentage measure. The table below shows the Historic Risk of Default for outstanding investments at 30th September 2025. The most risky investment has a historic risk of default of 0.022%. It should also be noted that in general the interest rate received is correlated to the risk, so the interest income received would be less if the Council took on less risk.

Borrower	Principal Invested £M	Interest Rate %	Credit Rating	Days to Maturity at 30 Sept	Historic Risk of Default %
Lloyds Bank	2.0	3.77	AA-	1	0.000
DMO	2.0	4.13	AA-	1	0.000
DMO	1.0	4.11	AA-	1	0.000
DMO	1.0	3.95	AA-	2	0.000
DMO	2.0	4.055	AA-	16	0.001
Medway Council	2.0	4.1	AA-	20	0.001
DMO	1.0	3.965	AA-	23	0.001
DMO	1.0	3.97	AA-	30	0.002
Nat West	2.0	4.22	AA-	32	0.004
Australia & New Zealand Bank	2.0	4.29	AA-	45	0.003
Perth & Kinross Council	2.0	4.05	AA-	45	0.003
Perth & Kinross Council	1.0	4.00	AA-	48	0.003
Eastbourne Borough Council	2.0	4.25	AA-	55	0.003
Blackpool Council	1.0	4.3	AA-	57	0.003
Uttlesford District Council	2.0	4.25	AA-	58	0.004
West Berkshire District Council	2.0	4.28	AA-	62	0.004
Aberdeen City Council	1.0	5.5	AA-	71	0.004
Skipton Bldg Soc	1.0	4.11	A-	76	0.010
Blackpool Council	1.0	4.2	AA-	76	0.005
Suffolk County Council	2.0	4.0	AA-	80	0.005

Borrower	Principal Invested £M	Interest Rate %	Credit Rating	Days to Maturity at 30 Sept	Historic Risk of Default %
Skipton Bldg Soc	1.0	4.09	A-	91	0.012
Nat West	1.0	4.15	AA-	94	0.012
LB of Barking & Dagenham	2.0	4.05	AA-	106	0.006
Blackpool Council	2.0	4.2	AA-	111	0.007
Lancashire County Council	1.0	4.3	AA-	139	0.008
Cheshire East Council	2.0	4.2	AA-	196	0.012
Lancashire County Council	1.0	4.3	AA-	196	0.012
Australia & New Zealand Bank	1.0	4.19	AA-	212	0.013
Leeds City Council	2.0	4.22	AA-	226	0.014
Cheshire East Council	1.0	4.1	AA-	261	0.016
Walsall Council	2.0	4.25	AA-	357	0.022
	47.0	4.25			

DMO credit rating is the UK credit rating.

9. LEGAL IMPLICATIONS

9.1 Cabinet has a responsibility to keep under review the budget of the Council and any other matter having substantial implications for the financial resources of the Council. By considering monitoring reports throughout the financial year Cabinet is able to make informed recommendations on the budget to Council. The Council is under a duty to maintain a balanced budget. The Chartered Institute of Public Finance and Accountancy's (CIPFA's) 'Code of Practice on Treasury Management 2021' requires that committee to which some treasury management responsibilities are delegated, will receive regular monitoring reports on treasury management activities and risks. This report discharges the Council's statutory and regulatory responsibilities for both the CIPFA Code of Practice on Treasury Management and the CIPFA Prudential Code for Capital Finance in Local Authorities.

The Council is required to comply with both Codes through Regulations issued under the Local Government Act 2003

10. FINANCIAL IMPLICATIONS

10.1 The main financial implications are covered in section 8 of the report.

11. RISK IMPLICATIONS

11.1 Good Risk Management supports and enhances the decision-making process, increasing the likelihood of the Council meeting its objectives and enabling it to respond quickly and effectively to change. When taking decisions, risks and opportunities must be considered.

11.2 Risks associated with treasury management and procedures to minimise risk are outlined in the Treasury Management Practices document, TMP1, which is revisited annually as part of the Treasury Strategy review. The risk on the General Fund of a fall

of investment interest below the budgeted level is dependent on banks and building societies need for borrowing.

12. EQUALITIES IMPLICATIONS

- 12.1. In line with the Public Sector Equality Duty, public bodies must, in the exercise of their functions, give due regard to the need to eliminate discrimination, harassment, victimisation, to advance equality of opportunity and foster good relations between those who share a protected characteristic and those who do not.
- 12.2. There are no direct equalities implications directly arising from this report.

13. SOCIAL VALUE IMPLICATIONS

- 13.1. The Social Value Act and “go local” requirements do not apply to this report.

14. ENVIRONMENTAL IMPLICATIONS

- 14.1. There are no known Environmental impacts or requirements that apply to recommendations of this report.

15. HUMAN RESOURCE IMPLICATIONS

- 15.1. There are no direct human resource implications.

16. APPENDICES

- 16.1. Appendix A, Treasury Management Update.

17. CONTACT OFFICERS

- 17.1. Report Writer – Dean Fury, Corporate Support Accountant, Tel 474509, Dean.fury@north-herts.gov.uk

Ian Couper, Service Director: Resources, Tel 474243, email Ian.couper@north-herts.gov.uk

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18. BACKGROUND PAPERS

- 18.1. Investment Strategy (Integrated Capital and Treasury Strategy)

<https://srvmodgov01.north-herts.gov.uk/documents/s24164/INVESTMENT%20STRATEGY%20INTEGRATED%20CAPITAL%20AND%20TREASURY.pdf>

<https://srvmodgov01.north-herts.gov.uk/documents/s24165/FAR%20Appendix%20A-%20Integrated%20Capital%20and%20Treasury%20Strategy.docx.pdf>

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Classification: Confidential

2nd Quarter Treasury Management Review

Mid-Year Review Report 2025/26

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1 Background

1.1 Treasury Management

The Authority operates a balanced revenue budget, which broadly means cash raised during the year will meet its cash expenditure. Part of the treasury management operations ensure this cash flow is adequately planned, with surplus monies being invested in low-risk counterparties, providing adequate liquidity initially before considering optimising investment return.

The second main function of the treasury management service is the funding of the Authority's capital plans. These capital plans provide a guide to the borrowing need of the Authority, essentially the longer-term cash flow planning to ensure the Authority can meet its capital spending operations. This management of longer-term cash may involve arranging long or short-term loans, or using longer term cash flow surpluses, and on occasion any debt previously drawn may be restructured to meet Authority risk or cost objectives.

Accordingly, treasury management is defined as:

“The management of the local authority's borrowing, investments and cash flows, its banking, money market and capital market transactions; the effective control of the risks associated with those activities; and the pursuit of optimum performance consistent with those risks.”

1.2 CIPFA Consultation on Treasury Management and Prudential Codes of Practice

The Chartered Institute of Public Finance and Accountancy is currently consulting local authorities in respect of potential changes to the Codes. At this juncture, the focus seems to primarily be on the Non-Treasury investment aspects of local authority activity. Officers will provide an update on any material developments/changes in due course.

2 Introduction

This report has been written in accordance with the requirements of the Chartered Institute of Public Finance and Accountancy's (CIPFA) Code of Practice on Treasury Management (revised 2021).

The primary requirements of the Code are as follows:

1. Creation and maintenance of a Treasury Management Policy Statement which sets out the policies and objectives of the Authority's treasury management activities.
2. Creation and maintenance of Treasury Management Practices which set out the manner in which the Authority will seek to achieve those policies and objectives.
3. Receipt by the full Council of an annual Treasury Management Strategy Statement - including the Annual Investment Strategy and Minimum Revenue Provision Policy, a Mid-year Review Report and an Annual Report, (stewardship report), covering activities during the previous year. (Quarterly reports are also required for the periods ending April to June and October to December but may be assigned to a designated committee or panel as deemed appropriate to meet the Treasury Management governance and scrutiny aspects of the Authority.)
4. Delegation by the Authority of responsibilities for implementing and monitoring treasury management policies and practices and for the execution and administration of treasury management decisions.
5. Delegation by the Authority of the role of scrutiny of treasury management strategy and policies to a specific named body. For this Authority, the delegated body is Finance, Audit and Risk Committee.

This mid-year report has been prepared in compliance with CIPFA's Code of Practice on Treasury Management, and covers the following:

- An economic update for the first half of the 2025/26 financial year;
- A review of the Treasury Management Strategy Statement and Annual Investment Strategy;
- The Authority's capital expenditure, as set out in the Capital Strategy, and prudential indicators;
- A review of the Authority's investment portfolio for 2025/26;
- A review of the Authority's borrowing strategy for 2025/26;
- A review of any debt rescheduling undertaken during 2025/26;
- A review of compliance with Treasury and Prudential Limits for 2025/26.

3 Economics and Interest Rates

3.1 Economics Update

- The first half of 2025/26 saw:
 - A 0.3% pick up in GDP for the period April to June 2025. More recently, the economy flatlined in July, with higher taxes for businesses restraining growth.
 - The 3m/yy rate of average earnings growth excluding bonuses has fallen from 5.5% to 4.8% in July.
 - CPI inflation has ebbed and flowed but finished September at 3.8%, whilst core inflation eased to 3.6%.
 - The Bank of England cut interest rates from 4.50% to 4.25% in May, and then to 4% in August.
 - The 10-year gilt yield fluctuated between 4.4% and 4.8%, ending the half year at 4.70%.
- From a GDP perspective, the financial year got off to a bumpy start with the 0.3% m/m fall in real GDP in April as front-running of US tariffs in Q1 (when GDP grew 0.7% on the quarter) weighed on activity. Despite the underlying reasons for the drop, it was still the first fall since October 2024 and the largest fall since October 2023. However, the economy surprised to the upside in May and June so that quarterly growth ended up 0.3% q/q. Nonetheless, the 0.0% m/m change in real GDP in July will have caused some concern, with the hikes in taxes for businesses that took place in April this year undoubtedly playing a part in restraining growth. The weak overseas environment is also likely to have contributed to the 1.3% m/m fall in manufacturing output in July. That was the second large fall in three months and left the 3m/3m rate at a 20-month low of -1.1%. The 0.1% m/m rise in services output kept its 3m/3m rate at 0.4%, supported by stronger output in the health and arts/entertainment sectors. Looking ahead, ongoing speculation about further tax rises in the Autumn Budget on 26 November will remain a drag on GDP growth for a while yet. GDP growth for 2025 is forecast by Capital Economics to be 1.3%.
- Sticking with future economic sentiment, the composite Purchasing Manager Index for the UK fell from 53.5 in August to 51.0 in September. The decline was mostly driven by a fall in the services PMI, which declined from 54.2 to 51.9. The manufacturing PMI output balance also fell, from 49.3 to 45.4. That was due to both weak overseas demand (the new exports orders balance fell for the fourth month in a row) and the cyber-attack-induced shutdown at Jaguar Land Rover since 1 September reducing car production across the automotive supply chain. The PMIs suggest tepid growth is the best that can be expected when the Q3 GDP numbers are released.
- Turning to retail sales, and the 0.5% m/m rise in volumes in August was the third such rise in a row and was driven by gains in all the major categories except fuel sales, which fell by 2.0% m/m. Sales may have been supported by the warmer-than-usual weather. If sales were just flat in September, then in Q3 sales volumes would be up 0.7% q/q compared to the 0.2% q/q gain in Q2.
- With the November Budget edging nearer, the public finances position looks weak. Public net sector borrowing of £18.0bn in August means that after five months of the financial year, borrowing is already £11.4bn higher than the OBR forecast at the Spring Statement in March. The overshoot in the Chancellor's chosen fiscal mandate of the current budget is even greater with a cumulative deficit of £15.3bn. All this was due to both current receipts in August being lower than the OBR forecast (by £1.8bn) and current expenditure being higher (by £1.0bn). Over the first five months of the financial year, current receipts have fallen short by a total of £6.1bn (partly due to lower-than-expected self-assessment income tax) and current expenditure has overshot by a total of £3.7bn (partly due to social benefits and departmental spending). Furthermore, what very much matters now is the OBR forecasts and their impact on the current budget in 2029/30, which is when the Chancellor's fiscal mandate bites. As a general guide, Capital Economics forecasts a deficit of about £18bn, meaning the Chancellor will have to raise £28bn, mostly through higher taxes, if she wants to keep her buffer against her rule of £10bn.

- The weakening in the jobs market looked clear in the spring. May's 109,000 m/m fall in the PAYE measure of employment was the largest decline (barring the pandemic) since the data began and the seventh in as many months. The monthly change was revised lower in five of the previous seven months too, with April's 33,000 fall revised down to a 55,000 drop. More recently, however, the monthly change was revised higher in seven of the previous nine months by a total of 22,000. So instead of falling by 165,000 in total since October, payroll employment is now thought to have declined by a smaller 153,000. Even so, payroll employment has still fallen in nine of the ten months since the Chancellor announced the rises in National Insurance Contributions (NICs) for employers and the minimum wage in the October Budget. The number of job vacancies in the three months to August stood at 728,000. Vacancies have now fallen by approximately 47% since its peak in April 2022. All this suggests the labour market continues to loosen, albeit at a declining pace.
- A looser labour market is driving softer wage pressures. The 3m/yy rate of average earnings growth excluding bonuses has fallen from 5.5% in April to 4.8% in July. The rate for the private sector slipped from 5.5% to 4.7%, putting it on track to be in line with the Bank of England's Q3 forecast (4.6% for September).
- CPI inflation fell slightly from 3.5% in April to 3.4% in May, and services inflation dropped from 5.4% to 4.7%, whilst core inflation also softened from 3.8% to 3.5%. More recently, though, inflation pressures have resurfaced, although the recent upward march in CPI inflation did pause for breath in August, with CPI inflation staying at 3.8%. Core inflation eased once more too, from 3.8% to 3.6%, and services inflation dipped from 5.0% to 4.7%. So, we finish the half year in a similar position to where we started, although with food inflation rising to an 18-month high of 5.1% and households' expectations for inflation standing at a six year high, a further loosening in the labour market and weaker wage growth may be a requisite to UK inflation coming in below 2.0% by 2027.
- An ever-present issue throughout the past six months has been the pressure being exerted on medium and longer dated gilt yields. The yield on the 10-year gilt moved sideways in the second quarter of 2025, rising from 4.4% in early April to 4.8% in mid-April following wider global bond market volatility stemming from the "Liberation Day" tariff announcement, and then easing back as trade tensions began to de-escalate. By the end of April, the 10-year gilt yield had returned to 4.4%. In May, concerns about stickier inflation and shifting expectations about the path for interest rates led to another rise, with the 10-year gilt yield fluctuating between 4.6% and 4.75% for most of May. Thereafter, as trade tensions continued to ease and markets increasingly began to price in looser monetary policy, the 10-year yield edged lower, and ended Q2 at 4.50%.
- More recently, the yield on the 10-year gilt rose from 4.46% to 4.60% in early July as rolled-back spending cuts and uncertainty over Chancellor Reeves' future raised fiscal concerns. Although the spike proved short lived, it highlighted the UK's fragile fiscal position. In an era of high debt, high interest rates and low GDP growth, the markets are now more sensitive to fiscal risks than before the pandemic. During August, long-dated gilts underwent a particularly pronounced sell-off, climbing 22 basis points and reaching a 27-year high of 5.6% by the end of the month. While yields have since eased back, the market sell-off was driven by investor concerns over growing supply-demand imbalances, stemming from unease over the lack of fiscal consolidation and reduced demand from traditional long-dated bond purchasers like pension funds. For 10-year gilts, by late September, sticky inflation, resilient activity data and a hawkish Bank of England have kept yields elevated over 4.70%.
- The FTSE 100 fell sharply following the "Liberation Day" tariff announcement, dropping by more than 10% in the first week of April - from 8,634 on 1 April to 7,702 on 7 April. However, the de-escalation of the trade war coupled with strong corporate earnings led to a rapid rebound starting in late April. As a result, the FTSE 100 closed Q2 at 8,761, around 2% higher than its value at the end of Q1 and more than 7% above its level at the start of 2025. Since then, the FTSE 100 has enjoyed a further 4% rise in July, its strongest monthly gain since January and outperforming the S&P 500. Strong corporate earnings and progress in trade talks (US-EU, UK-India) lifted share prices and the index hit a record 9,321 in mid-August, driven by hopes of peace in Ukraine and dovish signals from Fed Chair Powell. September proved more volatile and the FTSE 100 closed Q3 at 9,350, 7% higher than at the end of Q1 and 14% higher since the start of 2025. Future performance will likely be impacted by the extent to which investors' global risk appetite remains intact, Fed rate cuts, resilience in the US economy, and AI optimism. A weaker pound will also boost the index as it inflates overseas earnings.

MPC meetings: 8 May, 19 June, 7 August, 18 September 2025

- There were four Monetary Policy Committee (MPC) meetings in the first half of the financial year. In May, the Committee cut Bank Rate from 4.50% to 4.25%, while in June policy was left unchanged. In June's vote, three MPC members (Dhingra, Ramsden and Taylor) voted for an immediate cut to 4.00%, citing loosening labour market conditions. The other six members were more cautious, as they highlighted the need to monitor for "signs of weak demand", "supply-side constraints" and higher "inflation expectations", mainly from rising food prices. By repeating the well-used phrase "gradual and careful", the MPC continued to suggest that rates would be reduced further.
- In August, a further rate cut was implemented. However, a 5-4 split vote for a rate cut to 4% laid bare the different views within the Monetary Policy Committee, with the accompanying commentary noting the decision was "finely balanced" and reiterating that future rate cuts would be undertaken "gradually and carefully". Ultimately, Governor Bailey was the casting vote for a rate cut but with the CPI measure of inflation expected to reach at least 4% later this year, the MPC will be wary of making any further rate cuts until inflation begins its slow downwards trajectory back towards 2%.
- The Bank of England does not anticipate CPI getting to 2% until early 2027, and with wages still rising by just below 5%, it was no surprise that the September meeting saw the MPC vote 7-2 for keeping rates at 4% (Dhingra and Taylor voted for a further 25bps reduction).
- The Bank also took the opportunity to announce that they would only shrink its balance sheet by £70bn over the next 12 months, rather than £100bn. The repetition of the phrase that "a gradual and careful" approach to rate cuts is appropriate suggests the Bank still thinks interest rates will fall further but possibly not until February, which aligns with both our own view and that of the prevailing market sentiment.

3.2 Interest Rate Forecasts

The Authority has appointed MUFG Corporate Markets as its treasury advisors and part of their service is to assist the Authority to formulate a view on interest rates. The PWLB rate forecasts below are based on the Certainty Rate (the standard rate minus 20bps) which has been accessible to most authorities since 1 November 2012.

MUFG Corporate Markets' latest forecast on 11 August sets out a view that short, medium and long-dated interest rates will fall back over the next year or two, although there are upside risks in respect of the stickiness of inflation and a continuing tight labour market, as well as the size of gilt issuance.

MUFG Corporate Markets Interest Rate View 11.08.25													
	Sep-25	Dec-25	Mar-26	Jun-26	Sep-26	Dec-26	Mar-27	Jun-27	Sep-27	Dec-27	Mar-28	Jun-28	Sep-28
BANK RATE	4.00	4.00	3.75	3.75	3.50	3.50	3.50	3.50	3.25	3.25	3.25	3.25	3.25
3 month ave earnings	4.00	4.00	3.80	3.80	3.50	3.50	3.50	3.50	3.30	3.30	3.30	3.30	3.30
6 month ave earnings	4.00	3.90	3.70	3.70	3.50	3.50	3.50	3.50	3.30	3.30	3.40	3.40	3.40
12 month ave earnings	4.00	3.90	3.70	3.70	3.50	3.50	3.50	3.50	3.30	3.40	3.50	3.60	3.60
5 yr PWLB	4.80	4.70	4.50	4.40	4.30	4.30	4.20	4.20	4.20	4.20	4.20	4.10	4.10
10 yr PWLB	5.30	5.20	5.00	4.90	4.80	4.80	4.70	4.70	4.70	4.70	4.70	4.60	4.60
25 yr PWLB	6.10	5.90	5.70	5.70	5.50	5.50	5.40	5.40	5.30	5.30	5.30	5.20	5.20
50 yr PWLB	5.80	5.60	5.40	5.40	5.30	5.30	5.20	5.20	5.10	5.10	5.00	5.00	5.00

4 Treasury Management Strategy Statement and Annual Investment Strategy Update

The Treasury Management Strategy Statement, (TMSS), for 2025/26 was approved by this Authority on 27/02/2025

- There are no policy changes to the TMSS; the details in this report update the position in the light of the updated economic position and budgetary changes already approved.

5 The Authority's Capital Position (Prudential Indicators)

This part of the report is structured to update:

- The Authority's capital expenditure plans;
- How these plans are being financed;
- The impact of the changes in the capital expenditure plans on the prudential indicators and the underlying need to borrow; and
- Compliance with the limits in place for borrowing activity.

5.1 Prudential Indicator for Capital Expenditure

This table shows the revised estimates for capital expenditure and the current spend as at 30 September.

Capital Expenditure by Service	2025/26 Working Estimate £'000	Current Position £'000	2025/26 Revised Estimate £'000
Asset Management	1,591	42	1,291
CCTV	45	0	40
Community Services	5	0	5
Computer Software and Equipment	1,651	808	1,615
Corporate Items	91	8	91
Growth Fund Projects	713	0	713
Leisure Facilities	12,847	1,948	13,291
Museum & Arts	2,258	1,100	1,658
Parking	976	-127	325
Renovation & Reinstatement Grant Expenditure	546	4	345
S106 projects	332	161	332
Waste	6,660	4,028	6,710
Total capital expenditure	27,624	7,972	26,416

5.2 Changes to the Financing of the Capital Programme

The table below draws together the main strategy elements of the capital expenditure plans (above), highlighting the original supported and unsupported elements of the capital programme, and the expected financing arrangements of this capital expenditure. The borrowing element of the table increases the underlying indebtedness of the Authority by way of the Capital Financing Requirement (CFR), although this will be reduced in part by revenue charges for the repayment of debt (the Minimum Revenue Provision). This borrowing need may also be supplemented by maturing debt and other treasury requirements.

Capital Expenditure	2025/26 Original Estimate £m	Current Position £m	2025/26 Revised Estimate £m
Total capital expenditure	27,624	7,972	26,416
Financed by:			
Capital receipts and Set Aside Receipts	1,236	-245	1,273
Other third party grants and contributions	2,702	2,007	2,793
S106	360	161	360
Revenue	3,230	2,980	3,230
Total financing	7,528	4,903	7,656
Borrowing requirement	20,069	3,069	18,760

5.3 Changes to the Prudential Indicators for the Capital Financing Requirement (CFR), External Debt and the Operational Boundary

The table below shows the CFR, which is the underlying need to incur borrowing for a capital purpose. It also shows the expected debt position over the period, which is termed the Operational Boundary.

Prudential Indicator – the Operational Boundary for external debt

	2025/26 Original Estimate £m	Current Position £m	2025/26 Revised Estimate £m
Prudential Indicator – Capital Financing Requirement			
Total CFR	20.585	2.002	18.705
Prudential Indicator – the Operational Boundary for external debt			
Internal Borrowing	20.586	2.594	18.824
Other long-term liabilities	0.100	0.100	0.100
Total External Debt (year end position)	6.289	0.305	6.289

5.4 Limits to Borrowing Activity

The first key control over the treasury activity is a prudential indicator to ensure that over the medium term, net borrowing (borrowings less investments) will only be for a capital purpose. **Gross external borrowing** should not, except in the short term, exceed the total of CFR in the preceding year plus the estimates of any additional CFR for 2025/26 and next two financial years. This allows some flexibility for limited early borrowing for future years. The Authority has approved a policy for borrowing in advance of need which will be adhered to if this proves prudent.

A further prudential indicator controls the overall level of borrowing. This is **the Authorised Limit** which represents the limit beyond which borrowing is prohibited and needs to be set and revised by Members. It reflects the level of borrowing which, while not desired, could be afforded in the short term, but is not sustainable in the longer term. It is the expected maximum borrowing need with some headroom for unexpected movements. This is the statutory limit determined under section 3 (1) of the Local Government Act 2003 (England & Wales).

Limits for external debt	2025/26 Original Indicator £m	Current Position	2025/26 Revised Indicator £m
Authorised Limit	13.0	0.315	13.0
Operational Boundary	8.0	0.315	8.0

6 Borrowing

The Authority's revised capital financing requirement (CFR) for 2025/26 is £18.231M. The CFR denotes the Authority's underlying need to borrow for capital purposes. If the CFR is positive the Authority may borrow from the PWLB or the market (external borrowing), or from internal balances on a temporary basis (internal borrowing). The balance of external and internal borrowing is generally driven by market conditions. The table under paragraph 5.4 above shows the Authority has borrowings of £0.315m and has utilised £9.665m of cash flow funds in lieu of borrowing. This is a prudent and cost-effective approach in the current economic climate but will require ongoing monitoring if gilt yields remain elevated, particularly at the longer-end of the yield curve (25 to 50 years).

No borrowing was undertaken during the quarter ended 30 September 2025 and it is anticipated that further external borrowing will not be undertaken during this financial year. If the Capital Programme is fully spent in 25/26 than internal borrowing will be required.

7 Debt Rescheduling

No debt rescheduling was undertaken during the quarter.

8 Compliance with Treasury and Prudential Limits

It is a statutory duty for the Authority to determine and keep under review the affordable borrowing limits. During the half year ended 30 September 2025, the Authority has operated within the treasury and prudential indicators set out in the Authority's Treasury Management Strategy Statement for 2025/26. The Director of Resources reports that no difficulties are envisaged for the current or future years in complying with these indicators.

However, during the period ended 30 September 2025 there was an over investment with one counterparty. £4M was invested with Blackpool Council against a limit of £3M. This over-investment was for the period from 22/08/25 to 15/12/25. This was due to a mistake in recording and checking against previous deals that had already been made. This process can be difficult as there are more instances of other Councils looking for forward dated deals. A further checking process (with another Officer involved) has been put in place to help ensure this does not happen again.

9 Annual Investment Strategy

The Treasury Management Strategy Statement (TMSS) for 2025/26, which includes the Annual Investment Strategy, was approved by the Authority on 27/02/2025. In accordance with the CIPFA Treasury Management Code of Practice, it sets out the Authority's investment priorities as being:

- Security of capital
- Liquidity
- Yield

The Authority will aim to achieve the optimum return (yield) on its investments commensurate with proper levels of security and liquidity and with the Authority's risk appetite. In the current economic climate, it is considered appropriate to keep investments short term to cover cash flow needs, but also to seek out value available in periods up to 12 months.

Creditworthiness

The UK's sovereign rating has proven robust through the first half of 2025/26. The Government is expected to outline in detail its future fiscal proposals in the Budget scheduled for 26 November 2025.

Investment Counterparty criteria

The current investment counterparty criteria selection approved in the TMSS is meeting the requirement of the treasury management function.

CDS prices

It is noted that sentiment in the current economic climate can easily shift, so it remains important to undertake continual monitoring of all aspects of risk and return in the current circumstances.

Investment balances

The average level of funds available for investment purposes during the first half of the financial year was **£52.7m**. These funds were available on a temporary basis, and the level of funds available was mainly dependent on the timing of precept payments, receipt of grants and progress on the capital programme.

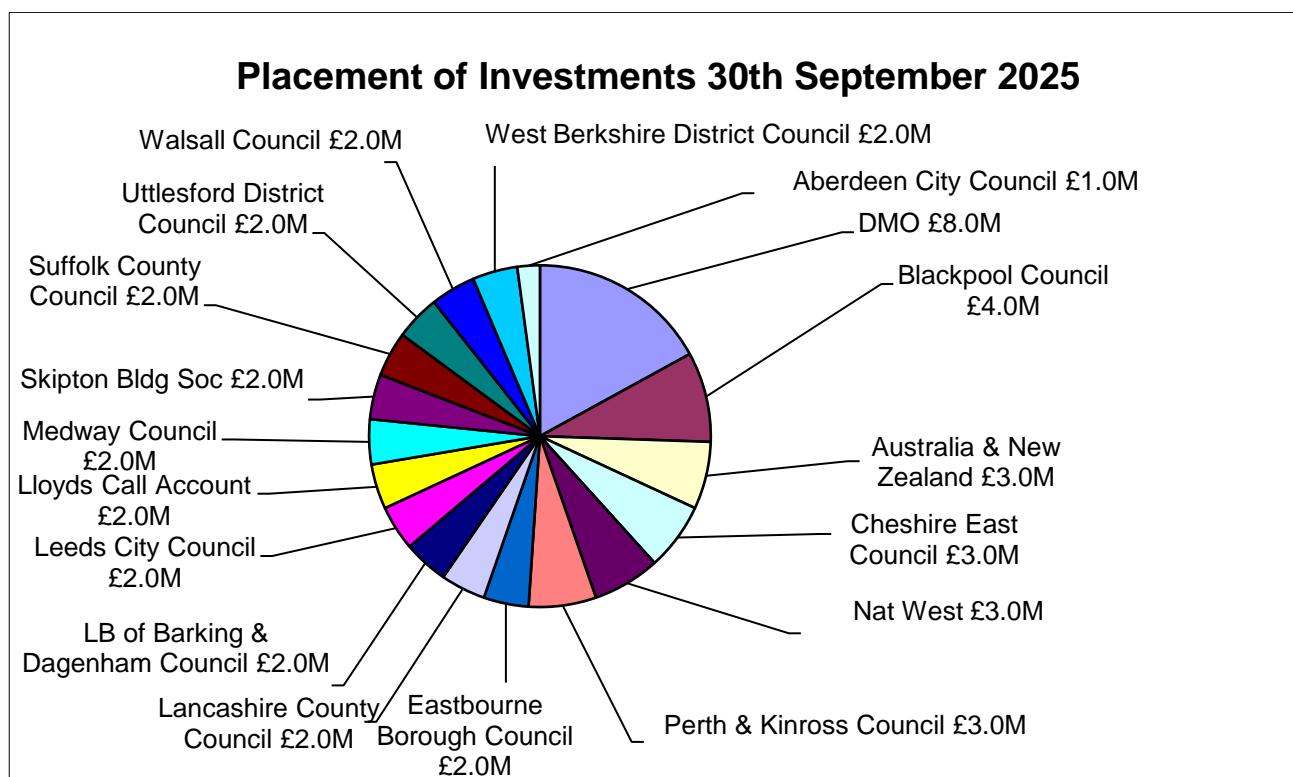
	Amount 30/09/25	Average
	£	Interest Rate %
Managed By NHC		
Banks	8,000,000	4.21
Building Societies	2,000,000	4.10
Local Authorities	29,000,000	4.28
Government	8,000,000	4.07
Total	47,000,000	4.25

In percentage terms, this equates to:

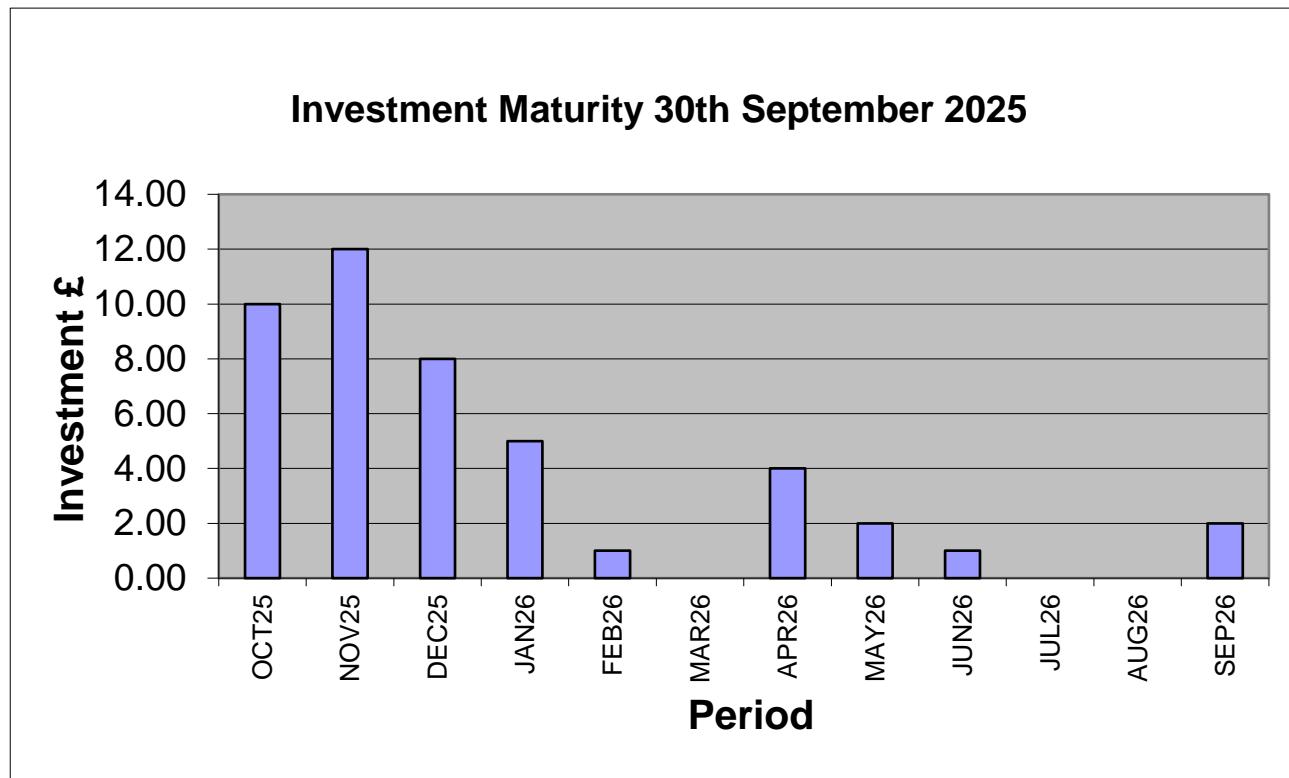
	Percentage
Government	17
Banks	17
Local Authorities	62
Building Societies	4

The approved 25/26 strategy is that no more than 50% of investments should be placed with Building Societies and Property Funds with a maximum value of £11M. The value at 30 September was 4%.

The pie chart below shows the spread of investment balances as at 30 September 2025. This is a snapshot in time that demonstrates the diversification of investments.

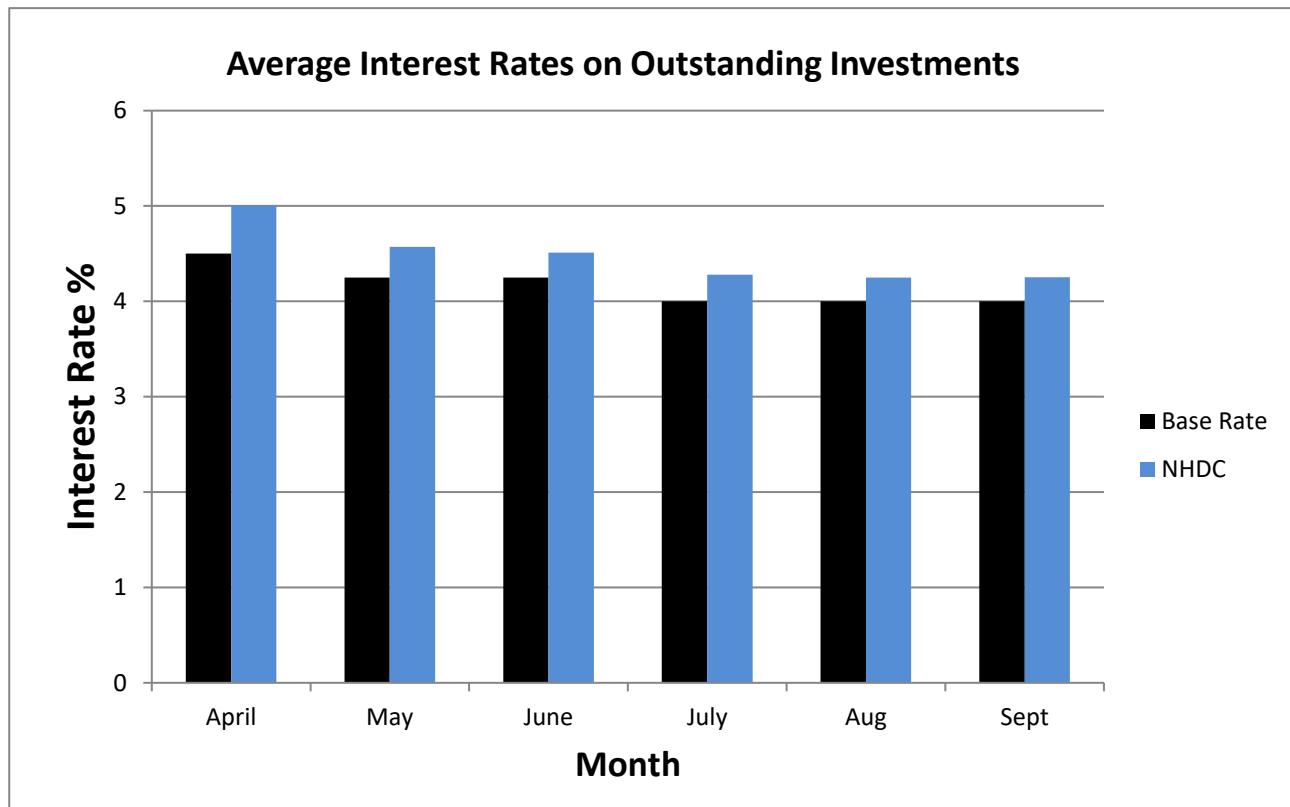


The chart below shows the Council's investment maturity profile.



At the 30 September there was also £2M placed on Lloyds Call account.

The graph below shows the average rate of interest on outstanding investments at 30 September.



Approved limits

Officers can confirm that there was an over investment with one counterparty (Blackpool Council £4M invested with them with a limit of £3M) during the period ended 30 September 2025. Procedures have been put in place to ensure this does not happen again.

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Agenda Item 8

COUNCIL

29 JANUARY 2026

*PART 1 – PUBLIC DOCUMENT

TITLE OF REPORT: UPDATED FINANCIAL REGULATIONS

REPORT OF: *Director- Resources*

EXECUTIVE MEMBER: Resources (*Non-Executive*)

COUNCIL PRIORITY: SUSTAINABILITY

1. EXECUTIVE SUMMARY

The last full review of the Council's financial regulations took place in 2018. There have been partial changes made that have resulted from organisational changes. They have also been kept under review for the need for any significant changes over that period, but none have been required.

Given the passage of time, a full review has been undertaken. However, the regulations are still generally fit for purpose, and therefore the proposed changes are minor in nature and do not significantly change the workings of the Council.

2. RECOMMENDATIONS

2.1. That Council agrees to the adoption of the Financial Regulations as per Appendix A.

3. REASONS FOR RECOMMENDATIONS

3.1. Due to the passage of time since the last major review of the Financial Regulations, it was considered appropriate to carry out a full review. The proposed changes are detailed in Appendix A alongside the reasons for them.

4. ALTERNATIVE OPTIONS CONSIDERED

4.1. The alternative would be to keep the current Financial Regulations unchanged, but that was rejected as there are some areas where an update is useful.

5. CONSULTATION WITH RELEVANT MEMBERS AND EXTERNAL ORGANISATIONS

5.1. The Resources team were asked to put forward any proposed changes, as they are the ones that make the most practical use of the financial regulations framework. Leadership Team were consulted on these proposals and also asked if there were any other changes that they would like to see.

5.2. The proposed change in relation to purchasing cards arose from an Internal Audit report.

5.3 The Executive Member for Resources and Shadow Executive Members were also asked for any comments on the proposed changes.

5.4 Finance, Audit and Risk (FAR) Committee were asked to review and provide comment on the proposed changes. Their suggestions are generally incorporated into Appendix A. However, on reflection, one change is not recommended to be taken forward. The FAR Committee recommended that the thresholds in the table in paragraph 5.6 should be simplified. There is a need for a higher relative limit to be applied to lower value budgets compared with higher value budgets. If a 5% threshold was applied to all budgets, then a £20k capital budget would require Cabinet approval for a £1k overspend, which may make small value capital projects impractical, could lead to over-cautious contingencies when setting the budget and not be an effective use of Cabinet's time. A 5% threshold for a £5m budget would be £250k and would require monitoring/ approval by Cabinet. This is why the percentages taper down in the table in paragraph 5.6. At each transition between percentages there is a fixed value amount applied across a range of capital budget values. This makes the limits look complicated, but they are there to avoid inconsistencies. For example, if the 20% limit that is applied to capital budgets up to £250k, switched straight to 10% for capital budgets that were above £250k, then a £249k budget would have a £49,800 tolerance but a £251k budget would have £25.1k tolerance. It is to avoid this that it is recommended that the table in paragraph 5.6 is retained as it is.

6. FORWARD PLAN

6.1 This report does not contain a recommendation on a key Executive decision and has therefore not been referred to in the Forward Plan.

7. BACKGROUND

7.1. The Financial Regulations form part of the Constitution, and are therefore an integral part of the Council's governance, decision making framework and control structure. They are kept under regular review by the Director- Resources, with a full review being undertaken when required. The current financial regulations can be found here: <https://www.north-herts.gov.uk/sites/default/files/2025-05/Section%2019-%20Financial%20Regulations.pdf>

8. RELEVANT CONSIDERATIONS

8.1. There are no significant changes being proposed. All the proposed changes are detailed in Appendix A, which includes:

- A table of the changes with a reason given for each one, and:
- A tracked changes version of the financial regulations.

8.2 The Financial Regulations include references to both the Director- Resources and Chief Finance Officer. Whilst these are the same role, for the purposes of delegations during periods of absence it is important to differentiate between the two.

9. LEGAL IMPLICATIONS

9.1. The Local Government Act 1972 requires the Council to have a written constitution. Full Council adopts and changes the Constitution and documents such as the Financial Regulations that are appended to the Constitution (Constitution 4.4.1 (p)).

- 9.2. The Finance, Audit and Risk Committee “maintain an overview of the Council’s Constitution in respect of Contract Procurement Rules and Financial Regulations, consider any major changes and make recommendations to Council for approval” (Constitution 10.15 (g)).
- 9.3 The Director of Resources and Section 151 officer has statutory duties in relation to the financial administration and stewardship of the council. This statutory responsibility cannot be over-ridden. The duty extends to the proper administration of the council’s financial affairs. A key part of the process for ensuring that sounds financial management policies are in place and are adhered to is the establishment of Financial Regulations
- 9.4 The Chief Finance Officer is responsible for keeping the Financial Regulations under review (Constitution 2.4).

10. FINANCIAL IMPLICATIONS

- 10.1. There are no direct financial implications arising from the proposed changes to the financial regulations.

11. RISK IMPLICATIONS

- 11.1. Good Risk Management supports and enhances the decision-making process, increasing the likelihood of the Council meeting its objectives and enabling it to respond quickly and effectively to change. When taking decisions, risks and opportunities must be considered.
- 11.2. Adoption of the proposed amendments will contribute to the Council’s internal control environment and the management of risk.

12. EQUALITIES IMPLICATIONS

- 12.1. In line with the Public Sector Equality Duty, public bodies must, in the exercise of their functions, give due regard to the need to eliminate discrimination, harassment, victimisation, to advance equality of opportunity and foster good relations between those who share a protected characteristic and those who do not.
- 12.2. There are no equalities implications arising from this report.

13. SOCIAL VALUE IMPLICATIONS

- 13.1. The Social Value Act and “go local” requirements do not apply to this report.

14. ENVIRONMENTAL IMPLICATIONS

- 14.1. There are no known Environmental impacts or requirements that apply to this report.

15. HUMAN RESOURCE IMPLICATIONS

- 15.1 *There are some minor HR implications arising from this report, which seek to reduce the workload impacts.*

16. APPENDICES

16.1 *Appendix A- Proposed new financial regulations- list of changes and tracked changes version.*

17. CONTACT OFFICERS

17.1 *Ian Couper, Director: Resources* ian.couper@north-herts.gov.uk; ext 4243

17.2 *Natasha Jindal, Deputy Monitoring Officer,* natasha.jindal@north-herts.gov.uk

17.3 *Reuben Ayavoo, Policy and Community Manager,* reuben.ayavoo@north-herts.gov.uk, ext 4212

18. BACKGROUND PAPERS

18.1 *Current financial regulations* <https://www.north-herts.gov.uk/sites/default/files/2025-05/Section%2019-%20Financial%20Regulations.pdf>

Schedule of Changes

Paragraph	Change made	Reason for change
1.8	Added “The Council only transacts in Pound Sterling. This means that the Council only accepts payment in Pound Sterling and will only make payments in Pound Sterling”.	Recommendation from Finance, Audit and Risk Committee (FAR) to be clear that (for example) the Council will not accept crypto currencies.
3.7 and 5.4	Removed 5% threshold.	In practice it is done for all variances over £10k
3.8 and 5.5	Delete process for the Quarter 1 budget report being based on 2 months.	Not used as established that goes to September meetings.
3.8	Add “, and in the opinion of the Chief Finance Officer there is a need to change the overall budget,”	It is not necessary for an overall overspend to be reported on to Council unless it is so significant that it requires (or is likely to require) a change to the overall budget. E.g. where there is a need for an in-year savings exercise.
4.2 and 4.3	Change 4 to 10	Now best practise that capital expenditure covers the next 10 years
5.7	Add “The Executive Member with responsibility for Finance can also approve the continuation of a capital project until it is practical to report an overspend (above the limits in paragraph 5.6) to Cabinet, where the delay from stopping work would have a significantly detrimental impact on the Council.”	The requirement to stop work on a capital project could result in significant costs (e.g. from the construction contractor, from the delay) and this gives provision to continue those works until Cabinet can be convened to make a decision.
5.7	Add “to add new projects”	To make it clear that the Executive Member can only approve new projects up to £100k. Increases in costs of existing projects are covered by the other paragraphs in that section.
9.3	Change from “will only” to “can”, and add “Pay budgets can also be approved for carry-forward to support general staffing pressures that are anticipated in the following year.”	To still allow carry-forwards where the planned action has been delayed, but also to add flexibility in relation to pay budgets,
11.1	Change from Chief Finance Officer to Director: Resources	The responsibility is due to the Director role rather than being Chief Finance Officer.
11.2	Change Executive Member with responsibility for Finance, to Risk	This section relates to Risk so future-proofed, in case there was ever a change to Executive Member roles that separated Finance from Risk.
11.2	Change “the Health and Safety Officer” to “Health and Safety input”	The retirement of the Health and Safety Officer has changed the way that Health and Safety support is provided,
11.4	Various changes to reflect that Finance, Audit and Risk now receive a half-yearly report on risk management processes and improvement, and Overview and Scrutiny receive quarterly reports (when required) on Risk and Performance.	Reflects the change that has been put in place to allow Finance, Audit and Risk to have more of a governance role, and Overview and Scrutiny to focus on their role.
11.4	Change “Risk Management Group” to “Risk and Performance Management Group”	The Group changed its name to reflect the broader focus.
11.7	Delete “carry”	Remove incorrect word
12.2	Replace “should” with “must”	Removes any ambiguity, as important that limits are not breached
12.5	Added “and property” to where it currently says land in the first bullet point.	Recommendation by FAR to be consistent with the previous sentence.
12.5	Add “Land and property assets with a value of under £250k can be declared surplus by the Director- Enterprise in consultation with Director- Resources, Executive Member for Enterprise and Executive Member for Resources. Other Directors will be consulted first to ensure that there is no alternative service use for the land or property.”	Currently no process for declaring that land and property can be declared as surplus, except to go to Cabinet. Which seems inconsistent with the levels in the Constitution, which delegate approval for the sale of land and assets where up to £250k.

12.8	Changes to simplify the process so that just two levels for disposals of surplus assets (that are not land and buildings). They are under £5k and over £5k. Remove the blanket requirement to use a public auction over £5k.	Simplify the process as unnecessary to have separate limits to notify and seek approval from the Chief Finance Officer. Experience has shown that there may be instances where a special purchaser may provide better value than using a public auction.
13.4	Delete “and the accounts used”	Unnecessary level of detail for Cabinet.
13.9	Added this paragraph which says “ The Chief Finance Officer will ensure that there is a two-stage process for entering and approving the transfer of funds outside of the Council, with each stage being completed by a separate Officer. This will apply to submitting BACs files and any payments made directly from our bank account (e.g. CHAPs payments).”	Recommendation from FAR to be clear on the controls in relation to electronic funds transfers
Section 14	Change multiple references to “SIAS Head of Assurance” and “SIAS Audit Manager”, to “Chief Audit Executive”	Now correct terminology under Auditing Standards.
14.6	Replace “documenting as many known risks ... as possible” with “maintaining an informed and balanced understanding of keys risks”	Recommended by FAR. More realistic approach to risk management and documentation.
14.8 onwards	Renumber paragraphs	Paragraph 14.8 was duplicated, so renumbered from that point forward. Spotted in reviewing in advance of FAR meeting.
14.9	Change “Leadership Team” to Directors	Directors receive the information individually, rather than via a report to Leadership Team.
14.10	Change “quarterly” to “regular”	Frequency of SIAS reports to reflect that there will be 3 or 4 across the year and that they will reflect the latest information at the time of the report, rather than just the quarter.
15.3	Change Director- Resources to Chief Finance Officer	Responsibility is specific to the Chief Finance Officer,
15.5	Add “The Chief Finance Officer can also approve the write-off of any credit balances, although these will be returned to the payee if they seek repayment.”	Need a process where there are credit balances (e.g. from overpayments) after proportionate efforts have been made to return the balance.
15.5	Add “Where discretionary awards are agreed then the revenues system treats them as write-offs (to reduce the amount payable), but as these have been agreed via a separate process they will not be subject to this write-off process.”	As the correct process will already have been followed, there is no need for a duplicate approval process.
16.8	Various changes to soften the requirement to use centralised contracts (e.g. stationery).	Impact of using alternative contracts is less significant, so rules should reflect that.
16.13	Delete “(the Financial Management System will provide a warning that there is insufficient budget, but will not prevent orders being raised)”.	The warning is not part of the new finance system. Budgets may not be on the same codes that orders are raised against.
Section 17	Renamed to “Cash and Vouchers”	Covers vouchers as they should be similar to cash in terms of the controls applied.
17.1	Add wording to say that petty cash will only be issued in exceptional circumstances	To reflect that the preference is to use purchasing cards as lower risk.
17.1	Increased transaction limit from £10 to £20	Recommended by FAR. Reflects that amounts have increased with inflation.
17.2	Add “Cash floats must not be used for expenditure.”	Clarity that a cash float should be treated differently to petty cash. Being clear on the purpose improves the controls.
17.6	Added paragraph to cover controls where vouchers or gift cards are purchased	Based on an audit recommendation. Reflects that vouchers and gift cards can be very similar to cash, so should have appropriate controls attached.
18.2	Add “or a Director”	Better resilience to have multiple people that can

		activate the Major Incident and Business Continuity Plans.
18.2	Add “A Senior Officer from another Authority can, under Mutual Aid, be authorised to act on behalf of the Council to support the response to a Major Incident. This can include incurring costs on behalf of the Council.”	Mutual Aid may be used for a Major Incident. This can be at a senior level, and this addition makes provision for this.
18.3	Add “(or Nominated Deputy)”	Adds resilience.
19.2	Delete “, in conjunction with the Chief Finance Officer”	The current structure is that the Chief Finance Officer is the Director- Resources so this is unnecessary.
19.8	Change from “broadband and line rental” to “homeworking expenses”.	To align with HMRC terminology.
19.8	Changes to allow claims on a monthly, quarterly or annual basis. Remove requirement for evidence.	To be more efficient. HMRC treat it as an allowance and evidence is not required.
19.9	Remove “Mileage claims must be accompanied by a relevant VAT fuel receipt, in order to comply with current VAT regulations”.	HMRC rules do not require receipts to specifically match the period being claimed. Unlikely that HMRC would require evidence.
19.13	Change “Chief Finance Officer” to “Director: Resources”	Role can be undertaken in acting as Director: Resources
Section 21	Updates to contact details.	

SECTION 19

FINANCIAL REGULATIONS

Section 19

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1. Introduction

- 1.1 To conduct its business efficiently the Council needs to ensure that it has sound financial management policies in place and that they are strictly adhered to. Part of this process is the establishment of financial regulations that set out the financial policies of the Council.
- 1.2 These financial regulations apply to every Member and Officer of the Council, although they place specific requirements on certain individuals, including:
 - Cabinet Members
 - Chief Executive (also Head of Paid Service)
 - Chief Finance Officer (also known as Section 151 Officer)
 - Monitoring Officer
 - Directors
 - Budget Holders
 - Cabinet
 - Full Council
 - Finance, Audit and Risk Committee
 - Overview and Scrutiny Committee
 - Leadership Team- comprising of the Chief Executive, and Directors
- 1.3 These Financial Regulations form part of the Constitution of the Council. They have been written to support all Officers and Members of the Council in fulfilling their duties regarding devolved financial responsibility and should be read in conjunction with the Scheme of Delegation in the Constitution.
- 1.4 These Regulations are an integral part of the District Council's control framework. They help ensure that we make financial decisions in a consistent way across the Council. This supports us in our duties to ensure that we are transparent in all our actions and are clearly accountable for all the decisions we make. By ensuring these Regulations are applied, the Council can be confident that economic, efficient and effective financial management supports the achievement of its objectives.
- 1.5 **All Officers** are required to read and be familiar with these Regulations. Contact details are provided at the end if any clarification or advice is required. Training will also be provided when required. Failure to comply with the Regulations can be treated as misconduct under the Council's 'Managing Misconduct' policy.
- 1.6 **All Managers** should ensure that their staff are aware of the existence and content of the Financial Regulations, including any associated documents. They should also ensure that their staff are aware of how the Regulations apply to their role and ensure compliance.
- 1.7 Where applicable, members of the **Leadership Team** should establish a scheme of delegation identifying **Officers** authorised to act on their behalf in respect of responsibilities contained within this document. These arrangements should be contained within a signed scheme of delegation document. Delegated limits and specimen signatures should be supplied to the **Chief Finance Officer**.
- 1.8 The Council only transacts in Pound Sterling. This means that the Council only accepts payment in Pound Sterling and will only make payments in Pound Sterling.

2. Revenue Budget Setting

2.1 Budgetary control is the monitoring of financial activity against planned budgets to:

- Ensure that money is spent in accordance with the Council's priorities as expressed in the annual budget;
- Ensure that overall expenditure in achieving those priorities is kept within the budget set; and
- Ensure that planned performance (output) has been achieved and is in line with the planned budget (inputs).

Budgets (spending plans), are needed so that the authority can plan, authorise, monitor and control the way money is allocated and spent. The Council has a legal duty to set a balanced budget.

2.2 The **Chief Finance Officer**, in consultation with the **Leadership Team**, is responsible for producing a Medium Term Financial Strategy. This is produced annually and is a five-year forward assessment of all revenue commitments based on present levels of service and reflects any known commitments, changes in service level or resources. It also details the implications for the level of council tax to be levied. This helps to ensure that the authority is always preparing for events in advance.

2.3 All members of the **Leadership Team** are responsible for ensuring that all reports consider financial implications over the medium term. This includes an estimate of the revenue consequences over as long a period as possible, and at least three years.

2.4 **Directors** are responsible for providing estimates of their revenue spend for the following year, which should include the impact of any growth, pressures, efficiencies and service changes. The **Chief Finance Officer** will approve the detailed content of these estimates, in line with the general directions of the **Cabinet**. Once collated the estimates will be submitted to the **Leadership Team** and then on to **Cabinet** (with any comments from the **Leadership Team**). This will form the draft budget for the following year.

2.5 **All Officers** should consider how to make best use of resources and value for money. The **Leadership Team** will lead on identifying opportunities to improve economy, efficiency and effectiveness. The **Chief Finance Officer** will act as a champion in this area, and promote good practice in relation to the identification and appraisal of options.

2.6 **All Officers** must ensure that copies of all proposed reports are passed to the **Chief Finance Officer** (or delegated Accountancy Services Officer) in sufficient time for them to adequately consider the budget implications of any proposals.

2.7 The Medium Term Financial Strategy and Budget require approval by **Full Council**.

3. Revenue Budget Management

- 3.1 Budget management ensures that once the budget has been approved by **Full Council**, resources allocated are used for their intended purposes and that these resources are properly accounted for. Budgetary control is a continuous process enabling the authority to review and adjust its budget targets during the financial year. It also provides the mechanism that makes **Budget Holders** accountable for their budgets.
- 3.2 Budget management is about managing and balancing spending and service delivery. **Budget Holders** should try to deliver the agreed level of service within the agreed budget. Whilst all efforts should be made to not spend more than the allocated budget, service levels should not be reduced without considering the implications of this and seeking appropriate approval. Similarly, if it is possible to deliver the agreed level of service using less than the agreed budget, then the service level should not be increased without appropriate approval.
- 3.3 **Directors** are responsible for ensuring that there is a named **Budget Holder** for all service areas (cost centres). It should be ensured that the **Budget Holder** is only responsible for areas of spend that they can influence.
- 3.4 The **Chief Finance Officer** will ensure that all **Budget Holders** are provided with sufficient information (e.g. spend and income to date, future commitments) and support to enable them to forecast spend for the current year. **Budget Holders** are required to use this and their service knowledge to determine a realistic forecast on a regular basis (at least quarterly).
- 3.5 Where the **Budget Holder** estimates that spend will be different to budget, then this is known as an underspend (where forecast spend is less than budget) or overspend (where forecast spend is more than budget). **Budget Holders** must report forecast underspends and overspends as early as possible in the year.
- 3.6 The **Chief Finance Officer** will determine the divisions of service to be used in budget reporting. This will achieve a balance between transparent reporting and ensuring that there are a manageable number of reporting areas.
- 3.7 Where the underspend or overspend for a reporting area is greater than ~~5% of the budget for that area (subject to a minimum of £10,000)~~ then this will be recorded by **Accountancy Services**, alongside the explanation that is provided by the **Budget Holder**. Where possible they should be addressed by a budget virement (see section 7). Reporting areas will be determined by the **Chief Finance Officer** and will be based on service areas with sub-divisions for larger service areas.
- 3.8 The **Chief Finance Officer** will provide quarterly reports to **Cabinet** (via **Finance, Audit and Risk Committee** for comment) that detail all significant forecast overspends and underspends. This will include all overspends and underspends that are greater than £25,000 in value. The **Chief Finance Officer** will determine whether to report any other overspends and underspends e.g. due to their value, any impacts in future years or service delivery impacts. Where it is not possible to deliver services within the overall budget, ~~and in the opinion of the Chief Finance Officer there is a need to change the overall budget~~, then this will be referred on to **Full Council**. ~~Due to deadlines for the approval of the statement of accounts and the timing of the Finance, Audit and Risk Committee it may be necessary for the first quarter report to be based on the first two months and only updated for any significant events in the third month. Where this is necessary, it will be agreed by~~

~~the Chief Finance Officer, Executive Member with responsibility for Finance and the Chair of Finance, Audit and Risk Committee.~~

- 3.9 Once the quarterly report has been agreed by **Cabinet**, the budget for each service area will be amended in line with the reported overspend or underspend. This is so that they are only reported once and future reports to **Cabinet** will focus on any changes since the previous report.

4. Capital Budget setting

- 4.1 Capital expenditure involves acquiring or enhancing fixed assets with a long-term value to the authority, such as land, buildings and major items of plant and equipment or vehicles. Capital assets shape the way services are delivered for the long-term and create financial commitments for the future in the form of financing costs and revenue running costs. The financing capacity of the authority is governed by the Prudential Code. This means that capital expenditure should form part of an investment strategy, be affordable and should be carefully prioritised in order to maximise the benefit of scarce resources
- 4.2 The **Chief Finance Officer**, in consultation with the **Leadership Team**, is responsible for producing a Capital Expenditure forecast. This is produced annually and is a **fourteen**-year forward assessment of the forecast spend on existing and new projects. This should also review the expected funding sources for each scheme and any revenue implications. It should be completed alongside the Medium Term Financial Strategy and annual revenue budget so that any revenue implications can be reflected in these documents.
- 4.3 **Directors** are responsible for providing estimates of project spend for the following **fourteen** years. The **Chief Finance Officer** will approve the detailed content of these estimates, in line with the general directions of the Cabinet. Once collated the estimates will be submitted to the **Leadership Team** and then on to **Cabinet** (with any comments from the **Leadership Team**). This will form the draft capital programme for the following year.
- 4.4 The Capital Programme requires approval by **Full Council**.
- 4.5 Once approved the Capital Programme gives approval to proceed with projects in the following year up to the amounts allocated for that year. It does not give authority to proceed with projects that have allocations in the years after that.
- 4.6 Leases may involve capital spend, so there should be a consideration of whether they need to be included in the capital programme (see section 6).

5. Capital Budget Management

- 5.1 **Directors** are responsible for ensuring that there is a named **Budget Holder** for all capital projects.
- 5.2 The **Chief Finance Officer** will ensure that all **Budget Holders** are provided with sufficient information (e.g. spend to date, future commitments) and support to enable them to forecast spend for the current year and future years of the project. **Budget Holders** are required to use this and their project knowledge to determine a realistic forecast on a regular basis (at least quarterly).
- 5.3 Where the **Budget Holder** estimates that spend will be different to budget, then this is known as an underspend (where forecast spend is less than budget) or overspend (where forecast spend is more than budget). **Budget Holders** must report forecast underspends and overspends as early as possible in the year.
- 5.4 Where the underspend or overspend for a project is greater than ~~£25,000 or 10% of the annual budget (whichever is the lower, but subject to a minimum of £10,000)~~ then this will be recorded by **Accountancy Services**, alongside the explanation that is provided by the **Budget Holder**.
- 5.5 The **Chief Finance Officer** will provide quarterly reports to **Cabinet** (via **Finance, Audit and Risk Committee** for comment) that detail all significant forecast overspends and underspends. This will include all underspends and overspends that are greater than £25,000. The **Chief Finance Officer** will determine whether to report any other overspends and underspends e.g. due to their value, any impacts in future years or project delivery impacts. The report will also detail how any increased spend will be financed. ~~Due to deadlines for the approval of the statement of accounts and the timing of the Finance, Audit and Risk Committee it may be necessary for the first quarter report to be based on the first two months and only updated for any significant events in the third month. Where this is necessary, it will be agreed by the Chief Finance Officer, Executive Member with responsibility for Finance and the Chair of Finance, Audit and Risk Committee.~~
- 5.6 If a **Budget Holder** forecasts that a capital scheme will overspend above certain limits, then approval must be sought from Cabinet before continuing. These limits are:

Capital budget	Approval required if overspend is more than:
Up to £60k	£12k
£60k to £250k	20% of budget
£250k to £500k	£50k
£500k to £1,000k	10% of budget
£1,000k to £2,000k	£100k
£2,000k and above	5% of budget

- 5.7 If an urgent or unanticipated capital need arises, this will be dealt with under the urgency powers delegated to the **Chief Executive** and the proposal then referred to the **Cabinet**, and then **Full Council**, at the earliest opportunity. However the **Executive Member with responsibility for Finance** can approve in year

changes to the Capital Programme to add new projects up to a limit of £100,000 per project. Any requests for use of this approval should be made via the **Chief Finance Officer**. The Executive Member with responsibility for Finance can also approve the continuation of a capital project until it is practical to report an overspend (above the limits in paragraph 5.6) to Cabinet, where the delay from stopping work would have a significantly detrimental impact on the Council. -

6. Leases

- 6.1 The Council is able to both lease assets from and lease assets to other organisations and individuals. Depending on the terms of the lease this may need to be treated as a revenue or capital transaction. Any **Officer** considering entering in to a lease arrangement should contact **Accountancy Services** as early as possible. They will be able to provide advice on ensuring value for money and how the transaction will need to be treated. If the transaction involves capital then it will be necessary to make sure that there is sufficient capital budget allocated (see section 4).
- 6.2 All leases for land and buildings should be dealt with by the **Estates Team**.

7. Virements

7.1 A virement is where budget is moved from one area to another. It enables **Directors** and **Budget Holders** to manage budgets with a degree of flexibility within the overall policy framework determined by the **Full Council**, and therefore optimise the use of resources.

7.2 There are key controls and constraints in relation to virements. **Accountancy Services** will review all virement requests to ensure that they are adhered to.

- There must be a match between the timing of the expenditure and the availability of budget. A one-off virement can not be used to fund ongoing expenditure, especially if there was a choice as to whether to incur that expenditure.
- They must be at least £1,000 in value. Amounts less than this should be managed by **Budget Holders** ensuring that they remain within their overall budget.
- They should not be used to fund new areas of spend unless the overall benefits of that spend have been fully assessed, and appropriate approval has been obtained. Where possible any unneeded budget should be returned to the General Fund.
- Some budgets are allocated to **Budget Holders** but are also managed centrally (e.g. repairs and maintenance, training). The virement of these budgets for other purposes is not generally permitted, and would require the approval of the central manager (e.g. Property Services, Learning and Development). If used for the intended purpose, the virement of these budgets can be approved by the central manager, without requiring the approvals set out in 7.3 below.
- Salary budgets can only be moved to cover the costs of vacancies being held (e.g. temporary or agency staff spend). If employees decide not to be part of the pension scheme then the employer contribution savings can not be used for other purposes and must be returned to the General Fund.
- Virements are not allowed on non domestic rates budgets.

7.3 The authorisation required for a budget virement is as follows:

Between budgets that are under their control	Budget Holder
Between budgets within a Service Area	Director after consulting with all affected Budget Holders
Between budget areas that are in different Service Areas	Agreed by the relevant Directors (providing and receiving the budget) after consulting with all affected Budget Holders .

7.4 All requests for virements must be on a properly authorised form and should be passed to **Accountancy Services**. Expenditure should not be incurred until notification has been received that the virement has been agreed and actioned.

7.5 There is separate rules in relation to the carrying forward of unspent budgets at year end. See section 9.

8. Accounting Processes and Records

- 8.1 The **Chief Finance Officer** is responsible for keeping the principal accounting records of the Council, which will be maintained on a central financial system. No other systems will be used for the keeping of accounting or other records relating to the Council's finances without prior agreement by the **Chief Finance Officer**. This ensures that the Council maintains proper accounting records and demonstrates the stewardship of public resources.
- 8.2 The **Chief Finance Officer** in conjunction with **Directors** will ensure that all feeder systems and processes to the principal accounting records of the Council are fully documented with **Officers** trained in their operation. Such systems and processes will incorporate the necessary controls to ensure that the data used to update the principal accounting records is complete, accurate, timely and not duplicated.
- 8.3 **All Officers** must consult the **Chief Finance Officer** before introducing or amending any book, form, record, administrative procedure or system used for the keeping of accounting or other records relating to the finances of the Council and should act on any advice given.
- 8.4 **Budget Managers** are responsible for ensuring that feeder accounting systems and processes include the following. The **Chief Finance Officer** is responsible for ensuring that this is the case, and ensuring that this is in place for the central financial system.
 - Transactions, material commitments and other essential accounting information are recorded completely, accurately and on a timely basis.
 - Separation of duties, which means that different individuals carry out the following tasks:
 - Providing information about sums due to or from the authority and calculating, checking and recording these sums
 - Collecting or disbursing these amounts
 - Examining or checking the accounts of cash transactions
 - Maintain adequate records to provide an audit trail leading from the source of income/ expenditure through to the accounting statements.
 - Regular reconciliations to ensure the integrity of embedded systems to ensure transactions are correctly recorded.
 - Secure and safe storage (including backup) of data and records.
 - Procedures are in place to enable accounting records to be reconstituted in the event of a systems failure.
- 8.5 Expenditure must only be authorised by appropriate **Officers**. **Budget Managers** and **Directors** should provide details of authorised signatories. The **Chief Finance Officer** will ensure that there is a system in place for recording these authorisations, and ensuring compliance.
- 8.6 For specific grants, **Budget Managers** are responsible for ensuring that grant claims are submitted by the due date. Where the receipt of any money is linked to the submission of the grant claim then the claim should be submitted as soon as possible. If the grant claim requires sign off by the **Chief Finance Officer** (or another individual e.g. the Chief Internal Auditor) then the **Budget Manager** should provide sufficient time and information to enable this sign-off to happen.

For any general grants and contributions, the **Chief Finance Officer** will ensure that claims are submitted by the due date.

- 8.7 All **Officers** must ensure that financial records (both physical and electronic) are kept and destroyed in accordance with the data retention schedule and to comply with relevant legislation (e.g. Freedom of Information Act and Data Protection Regulations). **Directors** should ensure that systems are in place to facilitate this and that they are adhered to.
- 8.8 The **Chief Executive** retains the right to authorise an extended retention period for a specific document or documents in the event of a query, investigation or any other requirement.

9. Annual Statement of Accounts

- 9.1 The **Chief Finance Officer** will ensure that the Council prepares its draft Statement of Accounts in accordance with accounting practices by proscribed dates. They will then sign off the draft accounts.
- 9.2 To enable this to happen, the **Chief Finance Officer** will prepare a timetable for the preparation of the statement of the accounts and communicate this to all relevant **Officers**, including **Budget Managers** and **Directors**. All **Officers** must comply with this timetable and provide the required information.
- 9.3 The Council must account for its spend on an accruals basis, which means that goods and services are accounted for in the year in which they are received or provided. For revenue projects or one-off items of expenditure this can lead to a mismatch between the year in which the budget is allocated and when the spend is incurred. **Budget Managers** can make a request for a carry forward of unspent budget. This ~~will can only~~ be granted where there is a clear link between the budget and a particular project or one-off item of spend, and it can be shown that the project or one-off item has been delayed between years. Pay budgets can also be approved for carry-forward to support general staffing pressures that are anticipated in the following year. All requests will initially be reviewed by **Accountancy Services**, and will require approval by **Cabinet**.
- 9.4 The **Chief Finance Officer** will select suitable accounting policies and ensure that they are applied consistently. **All Officers** are required to apply accounting policies, when requested by **Accountancy Services** or the **Chief Finance Officer**.
- 9.5 The **Chief Finance Officer** will make proper arrangements for the audit of the Council's accounts.
- 9.6 Once audited, the **Finance, Audit and Risk Committee** is responsible for approving the Statement of Accounts. The accounts are also signed off by the Chief Finance Officer to confirm that they provide a true and fair view of the financial position of the authority at the accounting date and its income and expenditure for the year ended 31 March.

10. Reserves and Balances

- 10.1 The Council must decide of an appropriate level of General Fund reserve before it can set the level of Council Tax. This should enable the Council to provide for unexpected events should they occur. The **Chief Finance Officer** will advise **Cabinet** and **Full Council** on the appropriate level of this reserve based on guidance, Codes of Practice and advice from the external auditor.
- 10.2 The Council can also set aside funds in specific reserves. When the reserves are created they should have a clear purpose, and then only be used for that purpose in terms of adding to and spending from the reserve. **Budget Holders** and **Directors** should make requests for the creation of specific reserves from the **Chief Finance Officer**. The creation and movements in reserves need to be formally approved by **Full Council**, which is incorporated in to Revenue Budget Outturn report.

11. Risk Management and Insurance

11.1 Risk management is the management of business risk in a manner consistent with the virtues of economy, efficiency and effectiveness. In essence, it is about making the most of opportunities and achieving objectives once those decisions are made. It is about being risk aware, not risk averse. It is important to have a system in place that allows risks and opportunities to be identified and evaluated. This should mean those that know most about the service area are the ones that are carrying out the risk assessments, which means that **All Officers** need to be engaged in it. The ~~Chief Finance Officer~~**Director: Resources** will ensure that a risk management system is in place and operating effectively.

11.2 The **Risk and Performance Management Group** seeks to focus and co-ordinate risk management activities throughout the Council to facilitate the identification, evaluation and management of all key risks. The group comprises of the **Director- Resources**, key Service representatives, ~~the Health and Safety input~~**Officer**, the **Executive Member with responsibility for Finance Risk** and a standing invite for any member of the **Finance, Audit and Risk Committee / Overview and Scrutiny Committee** that wishes to attend.

11.3 The Council's Risk & Opportunities Management Strategy aims to ensure that for each Council function, activity, operation or service the level of risk is known, recorded, monitored and mitigated. In each case, a conscious decision must be taken on how to manage that risk whether through controlling it, transferring it or living with it. The Strategy is updated on an annual basis. It is initially reviewed by the **Risk and Performance Management Group** which proposes a version to the **Leadership Team**. Once agreed by the **Leadership Team** it is referred on to the **Finance, Audit and Risk Committee**. The Committee make any recommendations they feel appropriate before it is formally adopted by **Cabinet**.

11.4 The **Cabinet** is also responsible for reviewing the effectiveness of the Council's risk management and ensuring that proper insurance exists where appropriate. There are ~~quarterly half-yearly~~ updates on risk management ~~processes and performance~~ that follow the following route: **Risk and Performance Management Group, Leadership Team, Finance, Audit and Risk Committee** and **Cabinet**. The annual risk report is also referred on to **Full Council**. ~~There are also quarterly reports on the Council Delivery Plan that will provide updates on corporate projects, risks and performance indicators; that follow the following route: Risk and Performance Management Group, Leadership Team, Overview and Scrutiny Committee (when requested) and Cabinet.~~ **Cabinet** will also be updated on major changes to risks as soon as possible, even if this is outside the quarterly reporting cycle. These risk reports will focus on what have been determined to be Top Risks.

11.5 The **Director- Resources** will ensure that the above reports are produced. They will also ensure that all **Officers** and **Members** are provided with advice on risk as required.

11.6 The **Leadership Team** are responsible for ensuring that there is risk aware culture throughout the Council, cross-cutting risks are identified and analysed, and determining the Council's risk appetite and priorities for action.

11.7 **Directors** are responsible for ensuring that there is effective risk management within their service area. This includes the risks in relation to elements of the service that have been contracted out and this may require that joint risk reviews are carried out with partners. **Directors** are also required to ~~carry~~ produce an annual assurance statement, at the end of each financial year, of the adequacy of the internal control environment within their service.

11.8

The **Shared Internal Audit Service** also plays an important role in Risk Management. The audits they carry out will focus on areas of risk and make recommendations on areas of improvement. They will also carry out regular reviews of the general Risk Management processes that operate in the Council.

11.9 Certain risks can be transferred or mitigated through insurance cover. The Council can also protect itself by ensuring that its suppliers and contractors have the appropriate level of insurance. The Council receives its insurance advice through the **Insurance Team** at Hertfordshire County Council (HCC). This arrangement is managed by the **Director- Resources**. In general insurance queries should be made directly to HCC.

11.10 The **Director- Resources** will ensure that the following happen (in general through the **Insurance Team**):

- Arrangement of insurance cover for all risks that are not self-insured. This includes making recommendations on levels of excess. Any significant changes in excess level will be referred to **Cabinet** for approval. **Directors** must ensure that the **Insurance Team** are aware of any new risks or assets that should be considered for insurance, as well as any changes to existing risks or assets. This should be done as soon as possible, but the **Insurance Team** will also arrange an annual review with each **Director**. The **Insurance Team** will maintain a record of all policies that are in place.
- Settling insurance claims. **Directors** must ensure that the **Insurance Team** is notified of any loss, liability, damage or other event likely to lead to a claim. In instances which suggest that criminal proceedings may be instigated, the **Chief Finance Officer**, **Monitoring Officer** and the **Shared Internal Audit Service** must also be informed. **Directors** (or any other **Officer** involved) must respond to any information requested by the **Insurance Team**.

11.11 **All Officers** must consult the **Insurance Team** and **Director- Governance** on any terms of indemnity that the Council is requested to give.

11.12 All suppliers of goods and services to the Council must hold public / products and employers liability insurance cover. Where the Council is seeking professional advice and guidance, professional indemnity insurance is also required. **Directors** must ensure that this is stipulated in the specification for the goods or services to be acquired, with the amounts in line with those advised by the **Insurance Team**. **Directors** must ensure that the cover is maintained for the duration of the contract and up to date certificates are obtained as evidence. Valid certificates should be uploaded to the Council's E-Tendering system.

11.13 All employees of the Council are included in suitable fidelity guarantee insurance. For cover under this policy to apply, two suitable written references must be obtained for all new employees. This can be reduced to one reference from an existing employer if the individual has held their existing job for at least three consecutive years. **All Managers** must ensure that suitable references are obtained for all new starters.

12. Assets and Security

12.1 It is important that the Council is aware of what assets it has and the procedures in place to secure those assets.

12.2 **Directors** are responsible for maintaining proper security and safeguarding of all buildings, stocks, stores, furniture, plant, equipment, machinery, cash, etc. under their control. This should include contingency plans for the security of assets and continuity of service in the event of disaster or system failure. Any new arrangements (or changes to existing arrangements) should be discussed and agreed by the **Director- Resources**. There are specific general requirements in relation to the holding of cash, which are:

- The amount of cash held should be kept to a minimum. Limits will be agreed on how much cash can be held (dependent on where it is stored e.g. safe, locked drawer) and **Officers** ~~should~~must not exceed these.
- **Officers** who collect cash on behalf of the Council must take all reasonable precautions to ensure its safe custody, including following any specific agreed arrangements.

12.3 **Directors** are responsible for the maintenance and update of a register of keys for external doors, safes, cash boxes and other secure items. The register should show the list of key holders and an out-of-hours contact number. The register must be kept securely and must not be accessible to unauthorised individuals. All keys must either be with the designated key holder at all times or held in a secure place. Security keys of safes, cash boxes and key cupboards, should not be left on site when the premises are unoccupied by Council Officers, unless expressly approved by **Director- Resources**. The loss of any keys must be reported to the **Director – Resources** as soon as their loss is noticed.

12.4 The **Director- Enterprise** will maintain an inventory of office furniture such as desks, chairs and kitchen contents. The form and extent of the records will be as agreed by the **Chief Finance Officer**. Where possible all assets will also be marked as belonging to the Council.

12.5 The **Director- Enterprise** will maintain a complete inventory of all land and property owned or leased by the Council. The record must include details of the following:

- the purpose for which the land and property is currently held
- extent and exact plan reference
- purchase details (for acquisitions and where possible for others)
- details of the interest in the property (e.g. freehold, leasehold)
- rents that are payable or receivable, and details of tenancies.

They are also responsible (in conjunction with the **Director- Resources**) for the stewardship of the land and property assets. This means ensuring that they are kept in an appropriate condition, with regular condition and compliance surveys. The extent of utilisation (e.g. determining under use) and suitability for use should also be kept under review. The **Director- Enterprise** will be responsible for any land or property asset that is declared surplus. Land and property assets with a value of under £250k can be declared surplus by the Director- Enterprise in consultation with Director- Resources, Executive Member for Enterprise and Executive Member for Resources. Other Directors will be consulted first to ensure that there is no alternative service use for the land or property.

12.6 **Directors** should maintain a record of all other assets under their control. Appropriate entries must be made at the time of purchase and disposal. They should ensure that an annual check (or more regularly if appropriate) of all items on the inventory with a purchase value in excess of £1,000 is carried out. These

checks should be carried out by someone that is not responsible for the day to day management of these items (if applicable). The **Chief Finance Officer** should be notified of any deficiencies that are found during these annual checks.

- 12.7 For significant stocks or stores of lower value items (i.e. where the total value is greater than £100) there will also be a need to maintain a record. **Directors** should ensure that this record is maintained. The requirements in 12.6 should be followed, with the following variations:
 - An annual check (stock take) should be carried on (or close to) the 31st March. Additional checks during the year should also be carried out if required.
 - Advice from **Accountancy Services** should be sought on how to value the stocks or stores
 - Small variations in the number of items do not need to be notified to the **Chief Finance Officer**, unless this highlights concerns over the security of the stock.
- 12.8 Where assets are no longer required then the relevant **Director** should ensure the following process is followed:
 - Check with other service areas to see if they have a use for the asset.
 - Before disposal, ensure that the asset is owned by the Council.
 - For leased assets, ensure any disposal is agreed with the lessor.
 - Where the estimated value is less than £52,500, the **Chief Finance Officer** should be notified.
 - ~~Where the estimated value is greater than £2,500, approval must be sought be from the **Chief Finance Officer**.~~
 - If the value is estimated to be more than £5,000 then the disposal should be via a public auction (except land assets which are covered by the Contract Procurement Rules) unless the Chief Finance Officer agrees this is not in the best interests of the Council.
 - Income will be accounted for as corporate income (i.e. not service specific income).
- 12.9 **All Officers** and **Councillors** should note that Council assets should only be used for legitimate Council business. They should only be removed from Council premises in line with the ordinary business of the Council. Any variations to this must be agreed by the relevant **Director**.
- 12.10 **All Officers** receiving visitors are responsible for ensuring that their visitor is signed in and wears the appropriate visitor's badge at all times. They must also ensure that visitors are adequately supervised during their visit, do not have access to confidential Council information and that the security of Council assets is maintained.
- 12.11 The **Director- Customers** must ensure adequate arrangements for maintaining proper security and privacy of computer held information and for ensuring compliance with the Data Protection Act, the Freedom of Information Act and any other relevant legislation. **All Officers** and **Councillors** must adhere to guidance issued.
- 12.12 **All Officers** and **Councillors** finding lost property on Council premises should pass it to **Property Services**. They will keep an inventory of such items and ensure their safe keeping. **Officers** and **Councillors** should not accept property for safekeeping by their owner.

12.13 If there is a need for moveable private property to be taken into Council custody, an itemised inventory must be prepared by the **Officer** taking possession. Where practicable, the inventory must describe the condition of the property. The relevant entries should be witnessed by two **Officers** and, where known, the owner of the property. The inventory record of these items must be included within the normal inventory maintained by the appropriate **Service Manager**.

13. Treasury Management and Banking

- 13.1 The **Chief Finance Officer** will ensure that all Council borrowings and investments are conducted in accordance with regulations, guidance and the Council's adopted Treasury Management Strategy. All decisions in respect of borrowing, investment or financing (that comply with the above) are delegated to the **Chief Finance Officer** (or through sub-delegation to an appropriate **Officer** in **Accountancy Services**).
- 13.2 The **Chief Finance Officer** must prepare an annual Treasury Management Strategy for approval by **Full Council** (February). The strategy will cover borrowing, investment and management of cash flow, approved methods of raising finance and approved sources of borrowing. The **Chief Finance Officer** will also provide an annual review to **Full Council** (July), as well as quarterly reports to **Cabinet**.
- 13.3 The **Chief Finance Officer** will ensure that:
 - All borrowings are in the name of the Council.
 - Records are maintained of all monies borrowed by the Council.
 - All trust funds will, wherever possible, be in the name of the Council.
 - All Officers who act as trustees by virtue of their official position, must deposit all securities relating to a trust with the **Director- Governance** unless the deed requires otherwise.
 - All securities which are the property of, or are in the name of the Council, or its nominees and title deeds of all property in its ownership or mortgaged to the Council, must be held in the custody of the **Director- Governance** and a copy of all such securities shall be held off site.
- 13.4 The **Chief Finance Officer** is responsible for all banking arrangements. No other **Officer** is authorised to open or operate a bank account on the Council's behalf. **Cabinet** will approve the Council's bankers ~~and the accounts used~~.
- 13.5 The **Chief Finance Officer** is responsible for the ordering and control of all cheques. They will make sufficient arrangements for the safe custody of blank cheques and the control and reconciliation of those issued. Cheques on the Council's main bank accounts will be stored securely by **Accountancy Services** and may only be signed by **Officers** specifically authorised by the **Chief Finance Officer**. The **Chief Finance Officer** will ensure that the Council's bankers are kept informed of authorised signatories.
- 13.6 Only **Officers** authorised by the **Chief Finance Officer** can certify alterations to cheques. Cheques should only be altered where the value is less than £1,000 and the alterations are limited to the removal of a crossing, to the correction of the date, and the correction of a misspelling of the name of the payee. Where an error has been identified on a cheque valued at more than £1,000, the cheque must be replaced.
- 13.7 Cheques for all payments exceeding £1,000 must be counter-signed by one of the employees authorised to do so.

13.8 The **Chief Finance Officer** is responsible for ensuring that a monthly reconciliation between the Council's bank account and its income and expenditure records is performed.

13.9 The Chief Finance Officer will ensure that there is a two-stage process for
– entering and approving the transfer of funds outside of the Council, with
each stage being completed by a separate Officer. This will apply to
submitting BACs files and any payments made directly from our bank
account (e.g. CHAPs payments).

14. Internal Control and Audit

- 14.1 Internal control refers to the systems of control devised by management to help ensure the Council's objectives are achieved in a manner which promotes economical, efficient and effective use of resources and that the Council's assets and interests are safeguarded.
- 14.2 The **Chief Finance Officer** is responsible for advising on effective systems of internal control, that are compliant with applicable statutes, regulations, and best practice. This includes the provision of a continuous Internal Audit function.
- 14.3 The Council's Internal Audit function is provided by the Shared Internal Audit Service (SIAS), which is hosted by Hertfordshire County Council. They provide assurance to the Council that:
 - Internal controls are sound, adequate and appropriately applied
 - Assets and interests are safeguarded against losses arising from inefficient management, poor value for money, waste, theft, fraud, or any other cause
 - Financial and other management data is suitable and reliable
 - Rules, regulations, legislation, policy and procedures are being followed
 - Risk management action is appropriately applied.
- 14.4 To assist them in their work, the **Chief Finance Officer** and any approved representative(s) have authority to:
 - Enter at all reasonable times any Council premises or land, subject to any statutory or contractual restrictions that might apply;
 - Access all records, documents, correspondence and data relating to the business of the Council, including those of a contractor acting on the Council's behalf and to remove any such records as is necessary for the purpose of their work;
 - Require and receive such explanations from any **Officer**, **Councillor** or contractor acting as an employee of the Council as are necessary concerning any matter under examination;
 - Require any **Officer** to produce cash, stocks or any other Council property under their control; and
 - Have direct access to the **Chief Executive** and the **Chairs of the Overview & Scrutiny Committee** and the **Finance, Audit & Risk Committee**.
- 14.5 The ~~SIAS Head of Assurance~~**Chief Audit Executive** (in consultation with members of the **Leadership Team** and the External Auditor) is responsible for the preparation and maintenance of an annual risk-based audit plan. This plan is reviewed by the **Chief Finance Officer** and contains details of the work to be undertaken in a financial year and includes a contingency for unseen responsive work. The plan is approved by the **Finance, Audit and Risk Committee**.
- 14.6 The ~~SIAS Audit Manager~~**Chief Audit Executive** is responsible for planning ahead and ~~maintaining an informed and balanced understanding of keys risks facing~~ ~~documenting as many known risks to~~ the Council ~~as possible~~. This is achieved by maintaining a document which details all auditable areas across the Council along with any relevant risk information. This document is formally updated as part of the annual planning process.
- 14.7 The Shared Internal Audit Service will issue audit reports as a result of work they undertake. These will include an assessment of current control levels and recommendations for improvements (including a prioritisation). The relevant **Officer** must respond to draft audit reports detailing the actions they will take in

response to the recommendations made. This response should be as soon as possible, and in all cases within four weeks. Any failure to do this will be reported to the **Chief Finance Officer** and the **Finance Audit and Risk Committee**.

14.8 All **Officers** are required to carry out the actions that they have agreed to in an audit report. The actions should be carried out in accordance with the agreed deadline.

14.9 The **Chief Finance Officer** will ensure that ~~Directors the Leadership Team~~
8 receive regular reports on the progress against high and medium priority recommendations.

14.1 The ~~SIAS Head of Assurance or SIAS Audit Manager~~**Chief Audit Executive**
09 will provide quarterly regular updates to the **Finance, Audit and Risk Committee** that cover:

- Progress against the plan and agreed key performance indicators
- Audits completed during the previous period and any medium (summary explanation) or high (detailed explanation) priority recommendations
- The status of current and previous high priority recommendations
- Any other matters that they wish to bring to the attention of the Committee.

14.10 The **Chief Finance Officer** will ensure that appropriate actions (including required approval) are undertaken in respect of the appointment of External Auditors.

14.124 The **Leadership Team** are responsible for the development and maintenance of anti-fraud, anti-corruption and anti bribery policies. All **Officers** should read and understand these policies.

15. Income

15.1 It is important that the Council has processes in place to ensure that it collects income as efficiently as possible. This should ensure that it is identified, collected, receipted and banked properly.

15.2 **Directors** are responsible for designing the systems for income collection. These systems should be in accordance with the following, and agreed by the **Chief Finance Officer**:

Calculation of charges

- Charges should be set in accordance with legislation and accurately calculated (**Accountancy Services** can provide support with this)
- Charging policies should be reviewed regularly, usually annually
- There should be a separation in duties between the **Officer** calculating the amount due and the **Officer** receiving the payment
- Ensure that VAT is charged as appropriate (**Accountancy Services** can provide advice on this)

Collection of income

- Where possible income should be collected in advance of supplying goods or services
- Sundry invoices should only be raised for amounts exceeding £50. Under this amount payment by debit or credit card should be sought, although payment by cheque can be accepted. Exceptions to this £50 limit must be approved by the **Chief Finance Officer**
- Sundry invoices should be raised within 5 days of the provision of the goods or service. The invoice should clearly state the date of the supply.
- All payments received by cash or cheque should be banked promptly
- Cash should be banked without deduction and must not be used for expenditure, to create or supplement floats or petty cash accounts or to enable the cashing of personal cheques
- To ensure that third party cheques are not accepted in payment for goods or services provided by the Council.
- To ensure that all paying-in slips show a reference to the related debt (such as the receipt number or the name of the debtor) or the origin of the cheque. The name of the relevant Service Area or a reference to the related debt must be written or printed on the reverse of each cheque.
- To ensure income collected on behalf of a third party whether for commission or not, is receipted and banked in the same way as the Council's own money. Payment of any amount due to a third party must be made once the account has been checked and the balances agreed.

Records

- The correct stationery should be used. For raising sundry invoices this is the Council's Financial Management System. Sufficient information needs to be provided to enable the recording and collection of the amount owed.
- Invoices should not be raised after income has been received. A tax receipt can be sent, if requested by the customer
- If requested, to ensure sums received are acknowledged immediately by the issue of an official receipt, ticket, voucher or other document prescribed by the **Chief Finance Officer**. To hold securely receipts,

tickets and other records of income, for the appropriate period stated in the Retention Schedule.

- To order and control all receipt forms, books, tickets and other such items relating to the service. To maintain a register of issues, returns and destructions.

Non-payment

- Should use established performance management systems to monitor recovery of income and flag up areas of concern to the **Chief Finance Officer**.
- To assist the **Chief Finance Officer** in collecting debts by providing any further information requested by the debtor, and in pursuing the matter on the authority's behalf.
- Where appropriate seek approval for debt cancellation or write-off (see sections below)
- Unless mitigating factors are identified, service provision should be cancelled where debts are not paid in accordance with standard payment terms

Refunds

- Where a refund to the customer is due, seek advice from **Accountancy Services** on the appropriate procedure

15.3 The **Chief Finance Officer Director- Resources** has overall responsibility for the collection of all income due to the Council. They will determine whether to institute distress and court proceedings for the recovery of outstanding monies due to the Council.

15.4 Debts can only be cancelled where they have been raised in error. The approval levels for cancelling debts are:

Up to £5,000	Director
£5,000 and above	Director- Resources , in consultation with the relevant Director

15.5 Debts can be written off where they have been raised correctly, have not been paid and it is determined that there is no prospect of collecting the amount owed. The approval levels for writing off debts are:

Up to £500	Budget Holder , in consultation with the relevant Director
£500 to £5,000	Director- Resources
£5,000.01 to £10,000	Director- Resources in consultation with the Executive Member with responsibility for Finance
Above £10,000	Cabinet

The **Director- Resources** will also approve the write off of all debts where the debtor is declared bankrupt, is in liquidation or subject to an Individual Voluntary Arrangement, and where the debtor is deceased and there are insufficient funds in the estate to repay the debt. **The Chief Finance Officer can also approve the write-off of any credit balances, although these will be returned to the payee if they seek repayment. Where discretionary awards are agreed then the revenues system treats them as write-offs (to reduce the amount payable), but as these have been agreed via a separate process they will not be subject to this write-off process.**

15.6 The **Chief Finance Officer** will ensure that the appropriate accounting adjustments are made following a debt write-off or cancellation.

15.7 The **Chief Finance Officer** will ensure that all **Directors** are provided with details of outstanding debts for their service.

16. Ordering and paying for goods and services

- 16.1 This section should be read in conjunction with the Contract Procurement Rules. Decision notices are required for all Executive decisions and certain non-Executive decisions. A financially materiality threshold is part of the consideration for non-Executive decision and this is set at £75,000.
- 16.2 **All Officers** must declare any links or personal interests which they may have with purchasers, suppliers or contractors if they are engaged in contractual or purchasing decisions on behalf of the council in accordance with the conflicts of interest policy. **Directors** should ensure that these forms are completed.
- 16.3 All orders must be appropriately raised and approved in accordance with authorised signatory limits and delegations. **Directors** should ensure that **Accountancy Services** are provided with details of authorised Officers including limits and specimen signatures. The **Chief Finance Officer** will ensure that the list of authorised signatories is maintained.
- 16.4 **All Officers** should raise and authorise orders promptly as the supplier should not provide works, goods or services until they have received the official order.

Raising Orders

- 16.5 **Budget holders** should ensure that official orders are raised in advance of receipt of works, goods or services. The order should detail exactly what is being supplied and the price to be paid (or estimated price). This is to ensure that there is a mutual understanding between the Council and the supplier. The only exceptions to this are:
 - Supplies of utilities, advertising, periodic payments such as rent or rates, petty cash purchases and purchase card purchases
 - Where a signed agreement or contract detailing the exact works, goods or services to be provided exists between the Council and the supplier, the order can be shortened to only include a brief description of the project and the total contract value
 - Exceptions agreed by the **Chief Finance Officer**
 - Verbal orders may only be issued in situations of true urgency, as authorised by the **Chief Finance Officer** and must be confirmed by an official order within two working days.
- 16.6 The **Chief Finance Officer** will determine (in consultation with the **Director-Governance**) the format of official orders, and this will include standard terms and conditions. Orders will be raised on the Council's Financial Management System which will ensure that it is recorded against the right budget and VAT is accounted for correctly. **Officers** must only agree variations to the standard terms and conditions with prior approval from the **Chief Finance Officer**.
- 16.7 **All Officers** should ensure that official orders are not used for private or personal purchases. Council contracts also must not be used for personal purchases.
- 16.8 Where the Council has entered a contract with a supplier for goods or services the contract mustshould be used in the first instance, and orders for the provision of goods and services in that contract shouldmust not be placed with other suppliers. For example, stationery should only be purchased through the stationery contract. Other suppliers may

be used if the contracted supplier is unable to provide the goods and services required.

16.9 Where there are Council rules on how certain supplies should be obtained then these should be followed. For example, IT hardware and software should only be purchased with approval from the **Director- Customers**.

16.10 **Directors** should ensure that loans, leasing or rental arrangements are not entered into without prior agreement from the **Chief Finance Officer**. This is to protect the Council from entering into unapproved credit arrangements and to ensure value for money is being obtained.

16.11 For construction contracts (including alterations to buildings and civil engineering works), **Directors** must ensure that there are agreed systems and procedures in place for financial aspects including certification of interim/final payments, checking, recording and authorising payments, controlling capital schemes and for validating sub contractor's tax status. The various systems and procedures need to be documented and agreed with the **Chief Finance Officer**.

16.12 Orders must not be split or disaggregated to get them below limits (e.g. in relation to authorisation or procurement).

Authorising Orders

16.13 The **Officer** authorising the order is confirming the following:

- The goods or services are appropriate and needed
- There is adequate budgetary provision (~~the Financial Management System~~)
- ~~will provide a warning that there is insufficient budget, but will not prevent orders being raised~~
- Quotations and tenders have been obtained in line with the Contract Procurement rules

16.14 A variation to works or construction contracts must be accompanied by a variation order, which contains details of the variation and is signed in manuscript by an authorised officer. Variations may only be authorised if sufficient budget provision exists.

Certification for Payment

16.15 **Officers** are required to certify invoices as soon as possible. Arrangements should be made for a substitute during periods of leave (especially extended leave). This is to ensure that the Council does not incur penalties for late payment.

16.16 The **Officer** certifying an invoice for payment must check the following:

- The ordering process has been followed
- The works, goods or services have been received and confirmed to be of appropriate standard and quality
- The invoice received is VAT compliant (if applicable), has been calculated correctly and any discounts and credits have been applied
- The relevant expenditure has been properly incurred and is within the relevant budget provision

- The invoice is correctly coded and that appropriate entries will be made in accounting records. It is not necessary to code the invoice when an order has been raised
- Appropriate entries have been made in inventories, stores records or stock books as required
- The account has not been previously passed for payment and is a proper liability of the Council.
- Extra care should be taken with invoices that are marked as being a copy or have been copied. Payment will only be made on copy invoices if they are endorsed with a statement saying that the invoice has not already been passed for payment and that the expenditure incurred has been approved.
- The invoice submitted is an official supplier invoice (e.g. not a statement, reminder letter or other document). Limited exceptions to this requirement include periodic recurring payments, contract payments and any other exceptions specifically approved by the **Chief Finance Officer**
- Any other instructions provided by the **Chief Finance Officer**

16.17 Payments for Works should be based on the certificate of works that has been approved by the appropriate **Director**, which must include details of the value of work, retention money, amounts previously certified and amounts now certified within authorised limits.

Payment

16.18 In general invoice payments are made via electronic bank transfer. Manual cheques can be used for emergency payments. Reasons for an emergency payment are that the delay would cause hardship to the individual, would result in the suspension of essential services or any other reason agreed by the **Chief Finance Officer**. In all cases, the officer requesting the cheque must document the reason for urgency on or attached to the invoice.

16.19 It is possible to pay invoices via purchasing card, but this should only be used for invoices that do not require an order.

16.20 Payment in advance and/ or without an invoice should be avoided. Where it is required an order should still be raised. An official payment requisition form must be completed and authorised by an appropriate Officer. The payment requisition form and any documents for dispatch with the cheque or BACS remittance should be submitted to **Accountancy Services** for processing.

16.21 The **Chief Finance Officer** will ensure that payment is made for all correctly authorised invoices that are in accordance with these financial regulations. **All Officers** should immediately notify the **Chief Finance Officer** of any expenditure to be incurred as a result of statute/court order where there is no budgetary provision. Where payment is specifically required by statute or is made under a court order, this will be processed even if there is no budgetary provision.

16.22 Direct Debit (DD) mandates can only be authorised by those officers who are authorised bank signatories for that purpose, as determined by the **Chief Finance Officer**.

16.23 All BACS payments must be approved for payment via the Council's BACS processing software, by an officer who is authorised to do so on the authorised signatory listing.

General

16.24 The **Chief Finance Officer** will ensure that there are processes in place to monitor compliance with these regulations and the Contract Procurement Rules. Any non-compliance will be reported to the relevant **Director**.

16.25 Where possible, **Directors** should ensure that there is separation of duties in respect of activities involving payments. There should be at least two authorised officers involved in ordering, receiving and authorising goods, services and works for payment. In all instances the officer authorising the invoice should be different from the officer who checked the invoice and certified it. Where practicable, a different officer from the one who signed the order should authorise the invoice.

Purchase Cards

16.26 Purchase cards will be authorised for certain officers, with an individual transaction threshold specific to the card holder. Purchase cards are generally suitable for low value transactions enabling the Council to shorten the purchase to pay cycle and reduce processing costs. Purchase orders are not required for purchase card transactions.

16.27 Where corporate contracts are in place, purchase cards should not be used to access alternative suppliers.

16.28 Purchase card transactions must be reviewed by the Cardholder within five working days, and receipts uploaded using the online Purchase Card system. Electronic approval of transactions must be carried out by an authorised officer within five working days and must only be completed once receipts have been viewed. All purchase card arrangements and their issue are permitted only on the approval of the **Chief Finance Officer**.

17. Petty Cash Accounts and Change Floats Cash and vouchers

17.1 The **Chief Finance Officer** will provide a petty cash account to cover incidental ~~office~~ expenses, in exceptional circumstances where if the requirement cannot be satisfied by using a purchase card. Petty cash will be issued on receipt of the appropriate application form for use by the petty cash account holder. The maximum limit for transactions is £240 (incl. VAT). A change float can also be provided if required.

17.2 The Officer responsible for the petty cash account/ change float should ensure that:

- The account is kept in credit
- The cash is stored securely
- Wherever possible a VAT receipt must be obtained for items of expenditure. Receipted vouchers, signed by the recipient of the reimbursement must support all expenditure.
- Adequate records to support expenditure are kept in a form approved by the **Chief Finance Officer** to support expenditure. If requested, a certificate as to the state of the account must be provided to the **Chief Finance Officer**.
- Income received by the Council must not be paid in to a petty cash account. Cash floats must not be used for expenditure.
- Should not be used for postage (stamps), unless approved by the **Chief Finance Officer**. Stamps must not be sold to Officers or members of the public.
- Carry out, with another officer, regular checks on the balance of the account or float. A record of such checks should be signed by both officers and maintained.

17.3 The relevant **Director** should ensure that the above happens, and also ensures that there is a periodic (not less than every six months) check by an Officer who is not directly responsible for the operation of the account. There should also be a check if the Officer responsible for the petty cash account/ change float leaves the employment of the Council. Any balances should either be paid back to the main Council account or the account transferred to another Officer.

17.4 The Officer responsible must agree the accuracy of the records and cash held with their Line Manager prior to the transfer of the account (either permanently or during a period of planned leave). A form should be completed by the Officer surrendering the Petty Cash/ Change float, declaring the value of cash to be transferred. The new Officer responsible should countersign the Declaration, confirming the amount of cash received. Once completed, the form should be sent to **Accountancy Services**.

17.5 **Directors** must notify the **Chief Finance Officer** of the cash balances held on any floats or petty cash accounts at the 31st March on a duly signed certificate for each float or account as soon as possible after the 31st March and not later than such date as agreed in the closure of accounts timetable in each year.

17.6 Where Officers purchase vouchers or gift cards then these must be treated in a similar way to cash, and be subject to the following controls:

- Physical vouchers or gift cards must be stored securely.
- Electronic vouchers or gift cards must be stored so that access is restricted to those responsible for administering them.
- A log must be kept of the vouchers or gift cards being held to include new ones being purchased and those being given out. Carry out, with another Officer, a reconciliation of this on a regular basis.
- There should be an audit trail (e.g. physical or e-mail signed confirmation, evidence of e-mail sent) to show that the voucher or gift card was received by the intended recipient.

18. Peacetime civil major incidents and business continuity plans

- 18.1 As part of its emergency planning role, the Council is responsible for a range of activities in the event of a major incident being declared. These activities may require the ordering of works, goods or services. The procuring officers may have little or no advance notice, may not have access to the raise purchase orders and requirements may be above purchase card transaction limits. Therefore the 'reserved order facility' will be put in place.
- 18.2 The **Chief Executive** or a Director is responsible for activating both the Council's Major Incident Plan and Service Business Continuity Plans. Once activated, any orders for the supply of works, goods or services need not be subject to the Council's Contract Procurement Rules. However, during this period the Council's Financial Regulations continue to apply. A Senior Officer from another Authority can, under Mutual Aid, be authorised to act on behalf of the Council to support the response to a Major Incident. This can include incurring costs on behalf of the Council. -
- 18.3 The **Chief Finance Officer** will ensure that **Accountancy Services** operate in a resource allocation role, working closely with the Chief Executive (or Nominated Deputy) in order to advise on and monitor the costs incurred by the Council in response to the major incident. They will also maintain an overview of ordering systems and financial records relating to the incident. This will include authorising the format of temporary order forms and instructing on the financial coding structure to be used. They will also arrange for purchase card limits to be increased if required.
- 18.4 Officers instructed to order works, goods or services must:
 - Maintain a record of all such orders and purchase card transactions
 - As soon as is practicable, transfer all temporary orders to the Council's official ordering system providing best estimate of the cost and coded as instructed by Accountancy Services
 - Ensure that where practicable, documentation is completed to indicate that the goods or services have been received and works undertaken
 - Ensure that an inventory of all remaining goods is compiled following completion of the emergency. The inventory should record what items are to be retained for future Council activities and what items are surplus to the Council's requirements and should be disposed of
 - Ensure that all surplus goods are disposed of at best consideration to the Council.
 - Report to the **Chief Finance Officer** so that actions listed above can be monitored.

19. Payments to Officers and Councillors

- 19.1 Officer costs are the largest item of expenditure for most council services. It is therefore important that payments are accurate, timely, made only where they are due for services to the authority and accord with an individual's conditions of employment. It is also important that all payments are accurately and completely recorded and accounted for, and that Members' allowances are authorised in accordance with the scheme adopted by **Full Council**.
- 19.2 The **Director- Resources** will ensure that:
 - There is a system in place to ensure the timely, secure and reliable payment of salaries, wages, compensation, travel and subsistence claims, and other emoluments
 - Ensure the accurate and timely payment and recording of tax, pension (superannuation) and other deductions. This will include the completion of any required return
 - Ensure that payroll documents are kept, stored and deleted in line with the document retention policy
 - To keep the Employee Handbook under review to ensure it refers to the most up to date policies. **All Officers** (including temporary staff) must adhere to the handbook and linked policies
 - Agree the format of time recording and payroll documents, ~~in conjunction with the Chief Finance Officer~~
 - Arrange for the maintenance of a list of Officers authorised to approve claims, including authorisation levels.. Ensure that Human Resources (HR) staff and the contractor providing payroll services have secure access to this information. At least annually seek confirmation that information contained in the list remains up-to-date. **Directors** should provide HR with updated information on changes of staff as they occur.
- 19.3 **Directors** should ensure that adequate and effective systems and procedures are operated, so that:
 - payments are only authorised to bona fide employees;
 - payments are only made where there is a valid entitlement;
 - conditions and contracts of employment are correctly applied; and
 - employees' names listed on the payroll are checked at regular intervals to verify accuracy and completeness.
 - details of any employee benefits in kind are notified to Human Resources to enable full and complete reporting within the income tax self assessment system

Recruitment

- 19.4 **Directors** should ensure that appointments are made in accordance with the regulations of the Council and approved establishments, grades and scales of pay, and that adequate budget provision is available.
- 19.5 **Directors** should give careful consideration to the employment status of individuals employed as self-employed, under a sub contract or through an intermediary. It may be necessary for the individual to be treated as employed and paid via payroll, with appropriate deductions. There may be penalties for the Council for incorrect treatment. In cases of doubt, advice should be sought from **Human Resources**.

Notification of changes in employee circumstances

19.6 **Directors** must notify HR of the following. This should be done as soon as possible and in particular before the Officer leaves. It should be done using appropriate documentation or electronic systems:

- Appointments, resignations, dismissals, suspension, secondments and transfers of all staff including those of casual staff and consultants;
- Absences from duty for sickness or other reasons, apart from approved leave;
- Changes in remuneration, other than pay awards and other negotiated agreements which apply to staff generally;
- Information necessary to maintain records of service for superannuation, income tax, national insurance etc.;
- Untaken or excessive leave when officers leave the employment of the Council;
- Training expenses recoverable when officers leave the employment of the Council.

Claiming expenses

19.7 Allowances will only be payable against actual expenditure incurred up to the maximum allowed under the current regulations. In exceptional circumstances the **Chief Finance Officer** may approve claims above the maximum usually allowable if it is considered that this is reasonable. Receipts should be obtained and submitted online with a claim. Where it is not possible to obtain a receipt, the claimant should list the items purchased, their cost and the supplier. Payment will then be made at the discretion of their Manager.

19.8 For ~~broadband and line rental~~homeworking expenses (applicable to any Officer that works at home) the claim ~~can be on a monthly, quarterly or annual basis and should provide evidence from one monthly or quarterly bill, but can claim for up to one year at a time~~ (subject to it being in the correct financial year, 1st April to 31st March).

19.9 Mileage will only be reimbursed if it is incurred whilst carrying out official Council duties. ~~Mileage claims must be accompanied by a relevant VAT fuel receipt, in order to comply with current VAT regulations~~. Officers who use their private vehicle for Council business must have insurance that covers business travel and have complied with the vehicle document verification process.

19.10 Officers travelling by rail should where practicable purchase their ticket in advance using the Council's purchase card, or via personal credit card and reclaim via the expenses process.

19.11 Reimbursement of professional subscription fees will only be made on submission of the invoice from the relevant professional body. Alternatively these may be settled by Purchase Card.

19.12 Payments will only be made to Officers and Members who are entitled to claim travelling or other allowances upon submission of a completed and authorised claim form (including electronic forms) as prescribed by the **Chief Finance Officer**.

19.13 Claims for expenditure incurred between April and December inclusive of any financial year must be submitted within three months of the final day of the claim

period. For example, claims made for the period 1st to 30th April must be submitted by 31st July. Claims for expenses submitted after these dates will be paid only with the express approval of the Director: Resources~~Chief Finance Officer~~.

19.14 Claims for expenditure incurred between January and March inclusive of a financial year must be submitted by 30th April.

19.15 The last day for submission of authorised online claims is the 5th of the month for each pay period (i.e. by 5th of April for April payroll). This date relates to the process of monthly payment and are not the deadlines referred to above. The last day for submission of authorised claims varies and exact dates are available on the Intranet.

Authorising expense claims

19.16 Officers who authorise a claim are confirming that they are satisfied that the journeys were authorised, the expenses properly and necessarily incurred and the allowances properly payable by the Council. Authorisation must be via the online system.

19.17 Officers must not authorise their own claims for payment. Claims should generally be authorised by the claimant's manager. The **Chief Executive's** claims should be authorised by the **Director- Resources**.

Documentation authorisation

19.18 Heads of Service/Corporate Managers must provide Human Resources, or an officer nominated by Human Resources, with the names of officers authorised to sign or authorise electronically payroll documents together with specimen signatures and details of limits of authority and must forward amendment details on the occasion of any change.

20. Taxation

- 20.1 The council is responsible for ensuring its tax affairs are in order. Tax issues are often very complex and the penalties for incorrectly accounting for tax are severe. It is therefore very important for all officers to be aware of their role.
- 20.2 **Accountancy Services** will provide **Budget Holders** with relevant information and ensure that they are kept up to date on tax issues that are relevant to their role. **Budget Holders** should use that information to:
 - Ensure that the correct VAT liability is attached to all income due and that all VAT recoverable on purchases complies with HM Revenue and Customs regulations
 - For construction and maintenance works, ensure that the contractor fulfils the necessary Construction Industry Tax Deduction requirements.**Directors** should ensure that the **Budget Holders** in their service comply with the above.
- 20.3 The **Chief Finance Officer** will ensure that:
 - A monthly return of VAT inputs and outputs is provided to HM Revenue and Customs in the required format and within stipulated timescales.
 - HM Revenue and Customs are provided with details regarding the Construction Industry Tax Deduction Scheme in the required format and within stipulated timescales.

21. Advice and Support

21.1 The table below shows contact details for Officers that can provide advice on various elements of these procedures:

Subject Area	Contact Officer(s)	Contact
General Advice and application of these regulations	<u>Head of Finance, Performance and Asset Management</u> <u>Director-Resources</u> Accountancy Manager	Ext 4243 Ext 4566
Revenue Budget Setting and Budget Management <i>Including virements accruals and carry-forwards,</i> <u>Income- calculation of charges</u>	Group Accountant- <u>Customer Services</u> <u>Enterprise and Environment</u> Group Accountant- <u>Finance</u> <u>Policy & Governance and Planning</u> <u>Housing and Enterprise</u> <u>Customers and Place</u> <u>Service Accountant- Governance, Regulatory and Resources</u>	Ext 4240 Ext 4332 <u>Ext 4163</u>
Capital budget setting and budget management	Corporate Support Accountant	Ext 4509
Lease accounting	Group Accountant- <u>Customer Services</u> <u>Enterprise and Environment</u>	Ext 4240
Risk management	<u>Head of Finance, Performance and Asset Management</u> <u>Director-Resources</u>	Ext 4243
Insurance	Insurance team at Hertfordshire County Council	Insurance@hertfordshire.gov.uk
Treasury Management	Corporate Support Accountant	Ext 4509
Internal Audit	Shared Internal Audit Service <u>Head of Finance, Performance and Asset Management</u> <u>Director-Resources</u>	sias@hertfordshire.gov.uk Ext 4243
<u>Income- calculation of charges</u>	<u>Group Accountant- Environment, Enterprise</u> <u>Group Accountant- Regulatory, Customers, Place</u> <u>Service Accountant- Resources, Governance</u>	<u>Ext 4240</u> <u>Ext 4332</u> <u>Ext: 4163</u>
Income- processes for invoicing and receiving payment	Controls, Risk and Performance Manager	Ext 4606
Ordering and paying for goods and services	Controls, R Page 91 Performance Manager	Ext 4606

Purchase cards	Controls, Risk and Performance Manager	Ext 4606
Petty Cash	Controls, Risk and Performance Manager	Ext 4606
Recruitment and expenses	HR	HRhelp@north-herts.gov.uk
Taxation	Controls, Risk and Performance Manager	Ext 4606

Agenda Item 9

COUNCIL

29 JANUARY 2025

*PART 1 – PUBLIC DOCUMENT

TITLE OF REPORT: THE COUNCIL TAX REDUCTION SCHEME (EFFECTIVENESS AND PROPOSALS FOR 2026/27)

REPORT OF: *Director- Resources*

EXECUTIVE MEMBER: *Resources*

COUNCIL PRIORITY: THRIVING COMMUNITIES / ACCESSIBLE SERVICES / SUSTAINABILITY

1. EXECUTIVE SUMMARY

The Overview and Scrutiny Committee asked for a report on the effectiveness of our Council Tax Reduction Scheme (CTRS). This report therefore sets out the context of Council Tax support, including the introduction of local schemes for working aged people from 2013. Initially the Council followed the broad structure of the previous central scheme. However, in 2024 the Council moved to a banded scheme.

It is difficult to precisely answer how effective a CTRS scheme is, as there will always be a balance between cost and level of support. The implementation of a banded scheme went well in terms of the support provided, although the Council has seen a slight increase in the cost of the scheme.

The report recommends that the Council make a change to our discretionary policy to help avoid people dying in poverty. This is based on the campaign by Marie Curie.

Finally, the report sets out minor changes to the CTRS for 2026/27, which are recommended for approval by Full Council.

2. RECOMMENDATIONS

- 2.1. That Council amends the Council Tax discretionary policy to include the support provided to residents with a terminal illness, with the wording detailed in paragraph 8.17.
- 2.2. That Council approves changes to the Council Tax Reduction Scheme bands to reflect the impact of inflation.

3. REASONS FOR RECOMMENDATIONS

3.1. To respond to the request from Overview and Scrutiny Committee, and to consider changes for next year.

4. ALTERNATIVE OPTIONS CONSIDERED

4.1. Not take any action – The Council could choose to retain the scheme exactly as it is and not apply any inflationary increases.

4.2. Similarly the Council could choose to make no change to the scheme to reflect the Marie Curie report on 'Dying in Poverty'. That would reflect that the CTRS already provides up to 100% for working aged people. The Council cannot go much further than the proposals set out in this report for the period 2026/27, as more significant changes would require a full consultation to be undertaken as required by the legislation.

5. CONSULTATION WITH RELEVANT MEMBERS AND EXTERNAL ORGANISATIONS

5.1. Our major preceptors will be notified of the planned changes to the changes to thresholds.

6. FORWARD PLAN

6.1. This report does not contain a recommendation on a key Executive decision and has therefore not been referred to in the Forward Plan.

7. BACKGROUND

7.1. Council Tax Reduction (CTR) was introduced by Central Government in April 2013 as a replacement for the Council Tax Benefit scheme administered on behalf of the Department for Work and Pensions (DWP). As part of the introduction, the Government;

- placed the duty to create a local scheme for working age applicants with billing authorities.
- reduced initial funding by the equivalent of ten per cent from the levels paid through benefit subsidy to authorities under the previous Council Tax Benefit scheme; and
- prescribed that anyone of pension age would be dealt with under regulations set by Central Government and not the authorities' local scheme

7.2. Since that time, funding for the Council Tax Reduction Scheme (CTRS) has been amalgamated into other Central Government grants paid to Local Authorities (where in receipt of Revenue Support Grant) and within the Business Rates Retention regime. It is now generally accepted that it is not possible to identify the amount of funding provided from Central Government sources

7.3. The current CTRS administered by the Council is divided into two schemes, with pension age applicants receiving support under the rules prescribed by Central Government, and the scheme for working age applicants being determined solely by the local authority.

7.4 Pensioners, subject to their income, can receive up to 100 per cent support towards their Council Tax. The Council has no power to change the level of support provided to pensioners and therefore any changes to the level of Council Tax Reduction can only be made to the working age scheme.

7.5 When Council Tax Reduction was introduced in 2013, for working age applicants, the Council broadly adopted the previous means tested Council Tax Benefit scheme as the basis of awarding support. Due to the reduction in funding from Central Government, the Council also required all working age applicants, even those on the lowest income, to pay a contribution towards their Council Tax. This was achieved by applying a standard deduction from any award granted. This standard deduction was 25% until the banded scheme was introduced.

7.6 Up until being replaced by a banded scheme in 2023(see following paragraphs), the working age scheme had only been amended in a minor way, primarily to adjust the standard deduction, to introduce a tolerance and to align it with Housing Benefit and Universal Credit payments where possible.

7.7 During 2022 the Council carried out a full review of the previous scheme and implemented a new banded scheme (for working age applicants). This was approved at the Full Council meeting in January 2023, and applied from April 2023 onwards. Further details can be found in that report (see background papers). At the time the reasons for implementing the new scheme were to:

- enable us to increase the overall level of support for the lowest income households
- reduce the administrative burden placed on the Council following the introduction of Universal Credit, and
- make the scheme easier for our customers to understand and calculate entitlement.

7.8 It was expected that the cost of the scheme would increase slightly, but not significantly. The North Herts share of the additional cost was estimated at £15k. A discretionary scheme was put in place to support the transition.

7.9 In January 2024, Council considered the CTRS for April 2024 onwards. That report identified that the scheme had achieved the outcomes set out in paragraph 7.7. There had been very little demand for the discretionary scheme that was put in place to support the transition. In that first year the Council had 6 applicants who were awarded a discretionary transition amount which reflected the amount that they lost under the new scheme. The fund was discontinued as the scheme was generally more generous. Although the specific fund was discontinued, the Council still have a discretionary scheme. In 2024/25, due to the uprating of benefits being so much higher, there were more requests for assistance as some claimants had to pay towards their Council tax where they had not been previously required, but they were in an improved financial position overall, so these cases were refused.

7.10 The January 2024 report, identified that the scheme was costing the Council more than had been estimated. It was agreed that the discretionary scheme budget would be used to help off-set some of that increased cost. No changes were made to the banded working age scheme for 2024/25.

7.11 In January 2025, Council considered the CTRS for April 2025. This proposed that only minor changes were made to the scheme. The changes proposed increased the thresholds for each of the bands in line with inflation. This was to prevent households being pushed in to higher bands (i.e. paying more Council Tax) just through the impact of inflation on their income. There were higher than inflation increases (2.7% rather than 1.7%) applied to some thresholds where the inflationary uplift on their benefits would push them in to a higher band, and they would end up being worse off in terms of total income. The report at that time noted that the scheme was still costing a bit more than originally estimated.

7.12 The Council continues to have no control over the pension age CTRS. This is administered in line with Government regulations.

8. RELEVANT CONSIDERATIONS

Current working age scheme

8.1. The current scheme is based on an income grid model. The income bands are based on a weekly net income as detailed in the table below:

Band	Discount	Single person	Single Person 1 child	Single person 2 children	Single person 3 children	Couple No children	Couple 1 child	Couple 2 children	Couple 3 children
1	100%	£0 to £103.00	£0 to £169.00	£0 to £224.00	£0 to £336.00	£0 to £144.00	£0 to £208.00	£0 to £264.00	£0 to £346.00
2	75%	£103.01 to £185.00	£169.01 to £252.00	£224.01 to £305.00	£336.01 to £391.00	£144.01 to £226.00	£208.01 to £290.00	£264.01 to £346.00	£346.01 to £402.00
3	45%	£185.01 to £246.00	£252.01 to £313.00	£305.01 to £366.00	£391.01 to £452.00	£226.01 to £288.00	£290.01 to £351.00	£346.01 to £407.00	£402.01 to £463.00
4	25%	£246.01 to £308.00	£313.01 to £375.00	£366.01 to £427.00	£452.01 to £513.00	£288.01 to £349.00	£351.01 to £412.00	£407.01 to £468.00	£463.01 to £524.00
5	0%	Over £308.01	Over £375.01	Over £427.01	Over £513.01	Over £349.01	Over £412.01	Over £468.01	Over £524.01

Table 1: Income bands for the 2025/26 working age scheme

8.2. The following are currently incorporated into the scheme:

- To encourage work, a standard £50 per week disregard will be provided against all earnings.
- Disability benefits such as Disability Living Allowance and Personal Independence Payments will be disregarded.
- Where any applicant, their partner or dependent child(ren) are in receipt of a disability benefits such as Personal Independence Payments or Disability Living Allowance, a further disregard of £50 per week will be given, thereby supporting those with disabilities.
- Carer's Allowance and the Support Component of Employment and Support Allowance will be disregarded.
- Child benefit and Child Maintenance will be disregarded.

- The amount in respect of the housing element, within Universal credit will be disregarded.
- The total disregard on war pensions and war disablement pensions.

8.3. The full current working age CTRS is included as a background paper.

Assessing the effectiveness of the Council Tax Reduction Scheme

8.4 Any scheme will be a balance between cost and level of support provided. The intention of the new banded scheme (when it was agreed in January 2023) was that it would better provide support to those most in need, with the costs of the scheme being broadly in line with the previous scheme. The report to Council in January 2024 highlighted some issues that either could not be modelled in advance or were missed. These were:

- Disregard of limited capability to work. This could not be modelled in advance, but it was included in the scheme as those in this category are some of the most vulnerable.
- Previous administration of the rent element within universal credit claims had not been disregarded. This was not identifiable during the initial modelling.
- During 2023/24 the council distributed support payments of up to £25 to a number of claimants. This figure was not included in the modelling; however, it has reduced our collectable amount of council tax.

8.5 In addition to the above impacts, it is not possible to isolate the effect of general economic conditions on levels of Council Tax support. Whilst inflation was dropping from its peak by the time the new scheme was implemented, it was still at a very high level, and residents were (and still are) feeling the impact of that.

8.6 The introduction of a new finance system has had an impact on our processes and the usefulness of the data that the Council can currently provide. During the implementation of the new system, a lot of payments went into a suspense account. This, combined with getting used to the new system, has meant that recovery action was suspended for a period. Recovery action has now recommenced, but this has affected the accuracy of the Council's collection rate data. A more generous CTRS would reduce the amount of Council Tax that can be collected, so represents a cost to the Council (and other preceptors). However, a well targeted scheme (and all other things being equal) may see a reduction in that cost if the Council can then collect more of the income that is due. That means less debt is written off and less resources are expended in chasing the debt. However, the Council cannot currently show whether this is the case.

Cost of our Council Tax Reduction Schemes

8.7 Table 2 below shows the cost of our CTRS up until 2021 (data produced for the Council report in January 2023). This includes the value of the CTRS as a percentage of the Gross Council Tax liability. By showing it as a percentage of total Council Tax it helps to strip out the effect of inflation. This shows a steady decline in the percentage cost up until 2019, and then an increase from 2020. This is likely to the impact of the Coronavirus pandemic.

Financial Year	2013	2014	2015	2016	2017	2018	2019	2020	2021
Gross CT Liability £	83,774,520	84,591,594	86,434,938	89,845,133	94,684,222	100,685,225	105,302,251	110,123,753	115,611,353
CTR £	6,998,498	6,902,064	6,693,360	6,761,037	6,770,869	6,863,664	6,771,613	7,208,969	8,218,400
%	8.35%	8.16%	7.74%	7.53%	7.15%	6.82%	6.43%	6.55%	7.11%

Table 2: Cost of CTRS over time, up to Financial Year 2021/22.

8.8 The above table includes both working age and pension age claimants. Table 3 below shows the caseload split between working age and pension age claimants. This shows a continuing steady reduction in pension age claimants, but a spike upwards for working age claimants in 2020 and 2021, with a slight decline in 2022. In more recent years the number of working-age claimants in April each year has been: 4,575 in 2023, 4,652 in 2024 and 4,794 in 2025. The equivalent pension age claimants have been: 2,529 in 2023, 2,457 in 2024 and 2,474 in 2025.

Financial Year Commencing	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
Working Age	4797	4718	4537	4327	4187	4058	3980	4355	5151	4823
Pension Age	4214	4065	3831	3608	3404	3120	2981	2874	2746	2636
Total	9011	8783	8368	7935	7591	7178	6961	7229	7897	7459

Table 3: Claimant numbers by year, split between working age and pension age.

8.9 The latest data (estimates for 2025/26 as at November 2025) is that the cost of the scheme will be £9.6 million. That is against a Gross Council Tax amount of £130.6 million, which equates to 7.39%. That is made up of 2,427 pension age cases (estimated cost of £3.4 million) and 5,109 working age cases (estimate cost of £6.2 million). The detailed split is shown in Table 4 below:

Scheme Category	No. of households claiming	Estimated cost of CTRS support
Couple with one child	190	£194,095.99
Couple with two children	199	£192,322.13
Couple with three children	170	£192,223.35
Couple	306	£396,725.13
Passported	77	£287,417.62
Single with one child	891	£959,531.31
Single with two children	707	£733,678.32
Single with three children	376	£502,566.39
Single	2,193	£2,717,118.18
Total working age	5.109	£6,175,678.42
Pensioner	2,427	£3,482,447.30
Overall Total	7,536	£9,658,125.72

Table 4: Detailed CTRS cases (November 2025)

8.10 This data can also be split by Council Tax band, as shown in Table 5 below. All households who are liable to pay Council Tax, can apply and an assessment is performed against our scheme criteria. This also applies to occupants who are jointly liable who are not part of the same household. In these circumstances, each joint person can make a CTRS claim in their own right. This accounts for a difference in the number of households (7,536) and the number of properties by council tax band (7,522).

Council Tax Band	No. of properties with Council Tax support
A	993
B	2470
C	3204
D	614
E	172
F	52
G	16
H	1
Total	7,522

Table 5: Number of properties with Council Tax support by property band

8.11 All Councils complete an annual Council Tax return, which includes data on Council Tax Reduction Schemes. This can be used as a way of comparing data between Councils. The table below looks at the value of CTRS support as a percentage of the total Council Tax that would be payable before the impact of CTRS. It provides a comparison of North Herts with all of Hertfordshire, all East areas and all of England. These totals will be affected by relative demographics and deprivation.

District/ Area	Cost of Working Age CTRS as a % of Total Council Tax	Cost of Pension Age CTRS as a % of Total Council Tax	Cost of Total CTRS as a % of Total Council Tax
North Herts	4.75%	2.70%	7.45%
Hertfordshire	4.53%	2.64%	7.17%
East of England	4.28%	3.06%	7.34%
All England	5.06%	3.67%	8.73%

Table 6: Costs of CTRS as a percentage of Total Council Tax

8.12 The data for North Herts in the table above is different to the data in paragraph 8.9 because of the timing of when the data was taken. Overall North Herts is probably slightly above (i.e. more generous) than where you would expect. This will be due to the scheme design and thresholds that have been agreed.

8.13 As part of the consultation on the Fair Funding formula over the Summer, there was a proposal that the impact of CTRS should be reflected through modelled data, rather than actual scheme costs. The consultants who advised us on our consultation response found that our scheme costs were about £100k above the modelled costs.

Dying in poverty

8.14 Marie Curie have published a report on dying in poverty (<https://www.mariecurie.org.uk/document/dying-in-poverty-report-2025>). This raises awareness around those with terminal illnesses, and that over 100,000 die in poverty each year. Having a terminal illness can affect someone's earnings and also lead to them facing increased costs. The report highlights a number of actions that they would like to see. Most of these are targeted at Government, but there is an action related to Council Tax support.

8.15 The specific recommendation that Marie Curie make is: "The UK government, as well as devolved administrations, should ensure that people living with terminal illness are guaranteed support for council tax. Until that point, individual councils in England should consider how they can provide similar support in their area". They reference that Manchester City Council became the first council in the country to implement specific, additional support for households in which someone has a terminal illness.

8.16 The support that Manchester City Council (MCC) provide is that any household that has someone living there with a terminal illness will pay zero Council Tax. This will apply from the date of diagnosis, until up to a year after the date of death. Whilst the Council are very sympathetic to those with a terminal illness it is not felt that this level of support can be replicated at this Council. The reasons for this are as follows:

- MCCs standard CTRS provides support up to maximum of 85%. Our CTRS provides up to 100%, so the poorest residents already pay no Council Tax.
- The Council cannot see how MCC costed the potential impact of this, and North Herts Council calculations show that the costs could run into millions.
- MCC are a Unitary Authority. If the Council made a change through our CTRS then residents would be required to be consulted with and alongside preceptors (Herts County Council and Police and Crime Commissioner). This would take time which would mean that it would take until 2027/28 to implement this proposal. There may also not be support for the proposal. Further if the Council fully provided this level of support through our discretionary scheme then it would pay the full cost, which could be a disproportionate amount to be met by the Council alone.
- The cost of providing support would either need to come from reducing other levels of CTR support, or through reductions in service levels.
- The support does not seem to be well targeted, for North Herts in comparison to Manchester. According to Loughborough University data that previously accompanied the Marie Curie report, there were estimated to be 166 people per year aged 20+ dying in poverty in North Herts. However, that was estimated to be only 13.3% of those that were dying from a terminal illness in North Herts. That means that there would be over one thousand people per year dying from a terminal illness who are not in poverty. Whilst the poverty level is a low threshold, and the Council would aspire for residents to be well above poverty levels, it is very likely that a high number of those affected by a terminal illness are very significantly above those poverty levels. The equivalent estimated percentage for Manchester City Council was 32.6%.

8.17 For 2026/27 the suggestion is that the primary focus is on our CTRS providing support to all those on the lowest incomes, to reduce the overall numbers of those in poverty. This reflects that the CTRS already provides up to 100% support. The Council would look to supplement this with a change to the discretionary policy to ensure that those with a terminal illness do not fall through any gaps in the main CTRS scheme. For example, it may not be immediately obvious that someone's income has dropped, or they may be incurring increased costs as a direct result of a terminal illness. If something like that took them below the CTRS thresholds then the Council would ensure that the discretionary support was implemented. A copy of our current discretionary scheme is attached at Appendix A. The proposal is that paragraph 4.1 is amended to add a second sentence that would read: *"That would include households where a member of the household has been diagnosed with a terminal illness and this has resulted in a significant impact on the net income of the household to an extent that it makes their Council Tax unaffordable".*

8.18 We have made contact with Marie Curie to understand their thoughts on the balance between specific support and the general support we provide to our residents. They acknowledged that changes to the CTRS policy take time to achieve, due to the consultation required. They have not provided a specific view on the fact that we already provide up to 100% support.

Proposals for 2026/27

8.19 In addition to the proposed change to our discretionary scheme (as per paragraph 8.17), The Council also intend to uplift each of the threshold bands by inflation (amount TBC). Reflecting inflation ensures that that eligibility continues at the same affordability thresholds. It had been expected that the inflationary increase would be 3.8%. However Universal Credit rates will increase by over 6%. Modelling is being undertaken to work out what the increase in the bands should be to maintain similar levels of eligibility for the CTRS and ensure households do not end up being worse off from a relatively small increase in their income (due to moving up a band in the proportion of Council Tax they need to pay). An update will be provided in time for the meeting. The Council consider these to be minor changes and therefore not subject to full consultation. We have made our major preceptors (Hertfordshire County Council and Police and Crime Commissioner) aware of the proposed changes.

Local Government Reorganisation and CTRS

8.20 Under Local Government Reorganisation there will be a need for each new Council to have a CTRS for working aged people (assuming that the national scheme for pension aged people continues). Any significant changes made to the scheme for 2026/27 or 2027/28 should ideally consider the schemes in relevant other Councils.

9. LEGAL IMPLICATIONS

9.1. Under Section 13A of the Local Government Finance Act 1992 a local authority is permitted reduce its council tax. Accordingly Schedule 1A of the Local Government Finance Act requires a local authority to have in place a Local Council Tax Reduction Scheme.

- 9.2. The Council is required to maintain and annually review its Council Tax Reduction Scheme in accordance with Section 13A and Schedule 1A of the Local Government Finance Act 1992 (as amended by the Local Government Finance Act 2012).
- 9.3. Schedule 1A to the Local Government Finance Act 1992 requires the Council to make any revision to its scheme or any replace scheme no later than 11 March in the financial year preceding that for which the revision or replacement scheme is to have effect.
- 9.4. Section 3(1) of Schedule 4 of the Local Government Finance Act 2012, which inserts Schedule 1A to the Local Government Finance Act 1992 requires the Council to consult on any changes to its scheme as follows:
 - Consult any Major Precepting Authority which has power to issue a precept to it,
 - Publish a draft scheme in such manner as it thinks fit, and
 - Consult such other persons as it considers are likely to have an interest in the operation of the scheme.
- 9.5. Full Council's terms of reference include at 4.4.1 (z) "approving the Council Tax Reduction Scheme". In considering the CTRS, Cabinet is acting in accordance with statutory provisions and in accordance with its obligations under the Council's constitution.

10. FINANCIAL IMPLICATIONS

- 10.1. The Council Tax Reduction Scheme in this year is estimated to cost approximately £9.7m which is borne by the Council's Collection Fund. Costs are shared between the Council and the Major Precepting Authorities which is in approximately the following proportions:
 - County Council (including Fire and Rescue Service) (around 76%)
 - Police and Crime Commissioner (around 12%)
 - District Council (around 12%)

These proportions are based on the overall share of Council Tax income and will change over time in line with decisions made by each Authority on levels of Council Tax increase. Recently, these have mainly been affected by the levels of increase (without a local referendum) that have been allowed by Government. The costs of Council Tax Reduction are not funded by the Precepting Authorities directly. Instead, the estimated level of eligibility is converted into a number of band D equivalent properties. That then reduces the overall tax base (i.e., the number of properties expected to pay Council Tax), and therefore the amount of income that each Precepting Authority should expect to receive. Differences between what was expected, and the amount collected are managed through a Collection Fund. The precepting Authorities will share any surpluses or shortfalls in the following year.

- 10.2. Increasing the threshold bands by inflation aims to ensure that households with a similar level of income in real terms will continue to be eligible for the same level (as a percentage) of Council Tax support. All other things being equal, this would mean that the band D equivalent eligibility for Council Tax support would remain consistent.

11. RISK IMPLICATIONS

- 11.1. Good Risk Management supports and enhances the decision-making process, increasing the likelihood of the Council meeting its objectives and enabling it to respond quickly and effectively to change. When taking decisions, risks and opportunities must be considered.
- 11.2. General economic factors can have an impact on the number of people that claim CTRS and therefore it is difficult to predict the number of households that will be eligible in the future and the extent of that entitlement and impact on the cost of the scheme. The only way to mitigate the risk of increasing spend is to make the scheme less generous. This in turn will mean increases in the amount of Council Tax to be collected, which may prove counter-productive and move the problem into increased bad debts.

12. EQUALITIES IMPLICATIONS

- 12.1. In line with the Public Sector Equality Duty, public bodies must, in the exercise of their functions, give due regard to the need to eliminate discrimination, harassment, victimisation, to advance equality of opportunity and foster good relations between those who share a protected characteristic and those who do not.
- 12.2. An equalities impact assessment (EIA) was completed for the current scheme in December 2022 before it was implemented. As no major changes are being made, another assessment is not required.

13. SOCIAL VALUE IMPLICATIONS

- 13.1. The Social Value Act and “go local” requirements do not apply to this report.

14. ENVIRONMENTAL IMPLICATIONS

- 14.1. There are no known Environmental impacts or requirements that apply to this report.

15. HUMAN RESOURCE IMPLICATIONS

- 15.1. There are no direct HR implications arising from this report.

16. APPENDICES

- 16.2. Appendix A: Current Discretionary Scheme

17. CONTACT OFFICERS

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18. BACKGROUND PAPERS

- 18.1 *New banded Council Tax Reduction Scheme implemented in April 2023* [Agenda for Council on Thursday, 19th January, 2023, 7.30 pm | North Herts Council](#), see minute 171
- 18.2 Review of the Scheme in January 2024 <https://democracy.north-herts.gov.uk/ieListDocuments.aspx?CId=136&MId=3400&Ver=4> see minute 259
- 18.3 Current Council Tax Reduction Scheme <https://www.north-herts.gov.uk/sites/default/files/2025-11/North%20Herts%20S13A%20202526%20Scheme%20FINAL.pdf>



North Hertfordshire District Council

Council Tax

Discretionary Reduction in Liability

S13A (1)(c) Policy

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1 Introduction and Legislation

- 1.1 Section 13A (1)(c) of the Local Government Finance Act 1992, provides the Council with additional discretionary powers to enable it to reduce the council tax liability where statutory discounts, exemptions and reductions do not apply.
- 1.2 These discretionary awards can be given to:
 - Individual Council Taxpayers;
 - Groups of Council Taxpayers defined by a common set of circumstances;
 - Council Taxpayers within a defined area: or
 - To all Council Taxpayers within the Council's area.
- 1.3 This policy is basically divided into the following areas namely:
 - (a) **The Flood Recovery Framework** – this part of the policy covers situations outlined by Central Government where any parts of the Council's area were to be designated as a designated flood area;
 - (b) **Crisis** – this part of the policy deals with all cases where a reduction in liability is claimed where there the taxpayer experiences a crisis (other than mentioned in (a) to (c); and
 - (c) **Other circumstances** – this part applies where the application is made other than for (a) to (d) above.

- 1.4 The relevant legislation (S13 (1) (c) of the Local Government Finance Act 1992 as amended by the Local Government Finance Act 2012), states the following:

Reductions by billing authority

- (1) The amount of council tax which a person is liable to pay in respect of any chargeable dwelling and any day (as determined in accordance with sections 10 to 13);
 - (a) in the case of a dwelling situated in the area of a billing authority in England, is to be reduced to the extent, if any, required by the authority's council tax reduction scheme;
 - (b) (not applicable)
 - (c) **in any case, may be reduced to such extent (or, if the amount has been reduced under paragraph (a) or (b), such further extent) as the billing authority for the area in which the dwelling is situated thinks fit.**

- 1.5 The provisions stated in (c) above, allows the Council to reduce the Council Tax liability for any taxpayer in addition to any application for Council Tax Reduction under the Council's scheme. This is a general power that has always been available to the Council.
- 1.6 When deciding on whether to grant a reduction in liability, the Council will consider each application on its merits. Principles of reasonableness will apply in all cases with the authority deciding each case on relevant merits.

- 1.7 Any decision made will be without reference to any budgetary considerations notwithstanding the fact that any awards must be balanced against the needs of local taxpayers who will ultimately pay for any reduction in Council Tax income. However, where Central Government provides funding directly to the Council to compensate for specific events, the Council will look to use **all** funding provided.
- 1.8 The period of any reduced liability will be considered in conjunction with the circumstances of the Council Taxpayer except where specified by Central Government.

2. The Flood Recovery Framework

- 2.1 In a severe weather event with significant wide area impacts, local authorities may need central support to help their communities and businesses return to normal. Building on these principles, a core package of business and community recovery support has been developed by Central Government to serve as a framework for flood recovery funding when needed.
- 2.2 It will be for Government Ministers to determine when this support will be made available. Weather incidents with localised impacts will not usually trigger a recovery support package.
- 2.3 In relation to Council Tax, Central Government have developed a Council Tax discount package that is available under S13A (1) (c).

Who is eligible for a council tax discount?

- 2.4 Where the Council Tax Discount Scheme is activated following severe weather, MHCLG will refund eligible local authorities for granting discounts in the following circumstances:
 - (a) 100% discount for a minimum of 3 months, or while anyone is unable to return home if longer, for **primary residences** whereas a result of the relevant weather event:
 - Flood water entered into the habitable areas; or,
 - Flood water did not enter into the habitable areas, but the local authority regards that the residence was otherwise considered **unliveable** for any period of time.

AND

- (b) 100% council tax discount on temporary accommodation for anyone unable to return to their home, in parallel with the discount on their primary residence where applicable.

- 2.5 Second homes and empty homes will **not** be eligible.
- 2.6 Instances where households might be considered **unliveable** could include:
 - where access to the property is severely restricted (e.g. upper floor flats with no access);
 - key services such as sewerage, draining, and electricity are severely affected;

- the adverse weather has resulted in other significant damage to the property such that it would be, or would have been, advisable for residents to vacate the premises for any period of time, regardless of whether they do vacate or not;
- flooded gardens or garages will **not** usually render a household eligible but there may be exceptions where it could be demonstrated that such instances mean effectively that the property is unliveable.

2.7 It will be for the Council to determine eligibility under the scheme.

Properties affected by multiple instances of flooding

2.8 Residences impacted in multiple flood events will not be precluded from repeat support where this is made available by Government in respect of separate weather events.

2.9 Where the scheme is activated for two separate instances of flooding within 3 months of each other, the two discount periods will run concurrently. For example, if the second flood event occurred after 2 months, flooded properties already receiving support could be eligible for another 3 months' discount, making the total period of reimbursement 5 months.

Funding

2.10 In such cases, Central Government will make payment to the Council via a Section 31 grant.

The Council's Policy in respect of the Flood Recovery Framework

2.11 The Council shall operate the scheme strictly in accordance with Central Government guidelines.

3 Crisis

3.1 The Council will consider requests for assistance from Council Taxpayers who, through no fault of their own, have experienced a crisis or event that has made their property uninhabitable, where they remain liable to pay council tax and for which they have no recourse for compensation nor have recourse to any statutory exemptions or discounts.

3.2 All such requests must be made in writing detailing the **exact** circumstances of why reduction in the liability is required and specifying when the situation is expected to be resolved.

3.3 The Council will consider applications on a case-by-case basis in consultation with other organisations as appropriate. Any reduction will be applied where they remain liable to pay council tax and for which they have no recourse for compensation nor to any statutory exemptions or discounts or where the crisis or event is not covered by any insurance policy.

4 Other Circumstances

- 4.1 The Council will consider requests from Council Taxpayers for a reduction in their liability based on other circumstances, not specifically mentioned within this document. However, the Council must be of the opinion that the circumstances relating to the application warrant further reduction in their liability for Council Tax having regard to the effect on other Council Taxpayers.
- 4.2 No reduction in liability will be granted where any statutory exemption or discount could be granted.
- 4.3 No reduction in liability will be granted where it would conflict with any resolution, core priority or objective of the Council.

5 Changes in circumstances

- 5.1 The Council may revise any discretionary reduction in liability where the applicant's circumstances or situation has changed.
- 5.2 The taxpayer agrees that he/she must inform the Council immediately either by phone or in writing about any changes in their circumstances which might affect the claim for under this policy. Failure to do so may result in the withdrawal of the reduction granted for the year and the requirement to repay any outstanding amount to the Council.

6 Duties of the applicant and the applicant's household

- 6.1 A person claiming any reduction in liability must:
 - Provide the Council with such information as it may require to make a decision;
 - Tell the Council of any changes in circumstances that may be relevant to their ongoing claim; and
 - Provide the Council with such other information as it may require in connection with their claim.

7 The award and duration of a reduction in liability

- 7.1 Both the amount and the duration of the award are determined at the discretion of the Council and will be done so on the basis of the evidence supplied and the circumstances of the claim.
- 7.2 The start date of such a payment and the duration of any payment will be determined by the Council. In any event, the maximum length of the award will not exceed the end of the financial year in which the award is given.
- 7.3 The application and any supporting documentation will be submitted to the Service Director - Customers for a decision.

8 Payment

8.1 In line with legislation, any award shall be granted as a reduction in the liability of the Council Taxpayer thereby reducing the amount of Council Tax payable

9 Reductions in Council Tax liability granted in error or incorrectly

9.1 Where a reduction in liability has been granted incorrectly or in error either due to a failure to provide the correct or accurate information to the Council or some other circumstances, the Council Taxpayers account will be adjusted and billed in the normal way.

10 Notification of a reduction in liability

10.1 The Council will notify the outcome of each application in writing. The notification will include the reason for the decision and advise the applicant of their appeal rights.

10.2 If a Council Taxpayer is aggrieved by the council's decision a written request for a review of its decision can be submitted if it is made within 2 months of the original decision. If the original decision is upheld and the council taxpayer remains aggrieved, there is a further right of appeal to the valuation tribunal.

11 Delegated Powers

11.1 This S13A (1) (c) policy has been approved by the Council. However, the Service Director - Customers is authorised to make technical scheme amendments to ensure it meets the criteria set by the Council and, for certain defined schemes, Central Government guidance.

12 Appeals

12.1 Appeals against the Council's decision may be made in accordance with Section 16 of the Local Government Finance Act 1992.

12.2 The Council Taxpayer must in the first instance write to the Council outlining the reason for their appeal. Once received the council will then consider whether any additional information has been received which would justify a change to the original decision and notify the Council Taxpayer accordingly.

12.3 Where the Council Taxpayer remains aggrieved, a further appeal can then be made to the Valuation Tribunal. This further appeal should be made within 2 months of the decision of the Council not to grant any reductions. Full details can be obtained from the Councils website or from the Valuation Tribunal www.valuationtribunal.gov.uk

13 Fraud

13.1 The Council is committed to protecting public funds and ensuring funds are awarded to the people who are rightfully eligible to them.

- 13.2 An applicant who tries to fraudulently claim a reduction in liability by falsely declaring their circumstances, providing a false statement or evidence in support of their application, may have committed an offence under The Fraud Act 2006.
- 13.3 Where the Council suspects that such a fraud may have been committed, this matter will be investigated as appropriate and may lead to criminal proceedings being instigated.

14 Complaints

- 14.1 The Council's Complaints Procedure (available on the Council's website) will be applied in the event of any complaint received about this policy.

15 Policy Review

- 15.1 This policy will be reviewed annually and updated as appropriate to ensure it remains fit for purpose. However, a review may take place sooner should there be any significant changes in legislation.

**COUNCIL
29 JANUARY 2026**

PART 1 – PUBLIC DOCUMENT

TITLE OF REPORT: ELECTORAL SERVICES – SCALE OF FEES 2026/27

REPORT OF: Director - Resources

EXECUTIVE MEMBER: Scale of Fees – Non-Executive function.
(Electoral Services: Governance)

COUNCIL PRIORITY: THRIVING COMMUNITIES / ACCESSIBLE SERVICES / RESPONSIBLE GROWTH

1. EXECUTIVE SUMMARY

1.1. To agree the Scale of Fees for electoral events held during 2026/27.

2. RECOMMENDATIONS

2.1. That the Council agree the Scale of Fees for 2026/27 as set out in Appendix A.

3. REASONS FOR RECOMMENDATIONS

3.1. To enable the Council to remunerate the Returning Officer and the staff employed to carry out tasks during electoral events and to be open and transparent regarding other payments.

4. ALTERNATIVE OPTIONS CONSIDERED

4.1. For the scales of fees to remain at the 2025/26 rates or to increase some areas for reasons explained within the report.

5. CONSULTATION WITH RELEVANT MEMBERS AND EXTERNAL ORGANISATIONS

5.1. The Ministry of Housing, Communities and Local Government (MHCLG), formerly known as the Department for Levelling Up, Housing and Communities (DLUHC), is responsible for central government elections and with effect of April 2025 introduced indicative fees for all election roles at polls which they fund.

5.2. MHCLG's indicative fees for elections roles, which apply to any UK Parliamentary or Police and Crime Commission elections, provides the blueprint used for our overall scale of fees.

5.3. Following elections held in May 2025, staff surveys were undertaken to gauge feedback. The rates of pay for elections staff were not raised as a significant issue.

6. FORWARD PLAN

6.1 This report does not contain a recommendation on a key Executive decision and has therefore not been referred to in the Forward Plan.

7. BACKGROUND

7.1. Each Local Authority is required to appoint a Returning Officer (RO). The RO is appointed in an independent capacity by the Council to organise and run elections free from the political structure of the authority. Councils must provide their RO with the resources they need to run elections. This includes the cost of recruiting and paying staff to act as Presiding Officers and Poll Clerks, along with any other ancillary staff necessary for the success of a poll.

7.2. For national polls the government issues a Fees and Charges schedule which identifies for each authority a “maximum recoverable amount” along with a fee which may be claimed by the appointed RO for the rendering of their services. The RO will pay their appointed staff from the monies provided by government and will account for their expenditure by way of a return to the Election Claims Unit (ECU) at the Cabinet Office.

7.3. As explained in paragraph 5.1, MHCLG introduced indicative fees for all elections roles at polls which they fund. This sets pay bands of the amount that should be paid to elections staff at UK Parliamentary elections, Police and Crime Commissioner elections and national referenda.

7.4. For all such national elections, the RO will be expected to adhere to the range proposed for each role by the MHCLG. To pay outside of this range will require special agreement from the ECU or risk the ECU refusing to reimburse the difference where roles exceed their expected amounts.

7.5. No such formal structure exists for local elections, which is why a local scale of election fees is required to cover staff costs associated with the administration of elections and other electoral events, e.g., County Council elections, District Council elections, Town and Parish elections, Neighbourhood Planning Referendums or Town/Parish Poll.

7.6. Although local elections are not formally subject to the same fees as national elections, in practice the scale of fees should be uniform across all election types as having separate fees for local and national elections would cause confusion and major issues with staffing elections which pay different amounts to those held either at the same time or in other years.

8. RELEVANT CONSIDERATIONS

- 8.1 In the May 2025 elections, the RO appointed more than 300 temporary roles to deliver the polls for the Hertfordshire County Council elections. In May 2026, there will be considerably fewer staff required as the scheduled elections are parish polls for Codicote, Knebworth, Kimpton and Royston.
- 8.2 The proposed Scale of Fees has been influenced by the indicative fees by MHCLG. As explained, local elections are not formally subject to the same fees as national elections. However, providing uniformity across all election types will prevent confusion and major issues with staffing elections.
- 8.3 In addition to the scheduled local elections in May 2026, there is always the possibility of by-elections or other unscheduled polls being called for all election types in the life of this scale of fees. For instance, within the 2025/2026 scale of fees, there was the County Council elections, a Neighbourhood Planning Referendum and a Town Council by-election. In the event a by-election was triggered for a national election type, our fees would be subject to the indicative fees set by MHCLG. If the Council opted to pay staff more than the fees listed in Appendix A, the additional costs would likely be rejected by the ECU and the Council would be liable for the financial difference.
- 8.4 It is necessary to ensure that roles continue to be paid at least the National Living Wage. The government has announced that the National Living Wage for those over 21 will increase from £12.21 to £12.71 per hour as of 1 April 2026.
- 8.5 Some roles would be negatively affected by this increase in the National Living Wage if they were not uplifted. Namely, Poll Clerk, Count Assistant, Postal Vote Opening Assistant, Porter and Clerical Assistance roles. These rates have been uplifted in line with the table in Appendix A to reflect the National Living Wage.
- 8.6 The Scale of Fees already includes a fee for the option to pay for the hand delivery of poll cards and canvass forms. To allow maximum flexibility when considering delivery options, it is proposed to also include a fee for the option for the hand delivery of postal votes. Both poll card and postal vote fees accord to the indicative fees set by MHCLG. Note canvass forms are not noted within the MHCLG indicative fees as the cost of the canvass is borne by the respective local authorities.
- 8.7 The hand delivery of poll cards and canvass forms is to be increased from 20p to 30p per item. Postal votes will be 50p per delivery of each postal pack.
- 8.8 For the purposes of clarity, the following wording has been added to when mileage is payable to Canvassers (for the return of canvass forms) (at the door knocking stage of the canvass):

Mileage payable to Canvassers (for the return of canvass forms) for the following journeys as part of their role:

- *Home to District Council offices for collection of canvass forms and equipment (& return)*
- *Within the specified canvass area.*

8.9 In August 2025, MHCLG announced that as part of the Government manifesto to encourage greater participation in democracy, it was exploring ways to make voting in person at polling stations more efficient, more convenient, and better aligned with the expectations of today's electors. As part of this work, MHCLG invited authorities to apply to pilot a range of flexible voting options at the local elections in May 2026 and 2027. These pilots could include, but were not limited to:

- Allowing electors to vote at any polling station within the local authority area, rather than being restricted to a designated station.
- Establishing centralised 'voting hubs' where any elector in the authority could cast their vote on polling day.
- Deploying mobile polling stations to bring voting facilities directly to communities.
- Offering advance in-person voting at designated hubs in the days leading up to polling day.

8.10 The Authority submitted a bid to take part in the pilots, at the time of writing an official announcement by Government is awaited.

9. LEGAL IMPLICATIONS

9.1 The Representation of The People Act 1983 (RPA) s.35(1) requires a district council to appoint a RO to conduct elections on its behalf.

9.2 RPA ss31(1) and (1a) provide that every district council must appoint an officer of the council to be the RO for any parish council elections within its area. This can be the same person as the RO for district council elections, though it does not have to be. In accordance with the statutory provisions referred to above and as per section 14.6.13 of the Constitution, the Democratic Services Manager has been appointed as RO for District Council and Parish Council elections.

9.3 RPA s.36(4) provides that the cost of local elections is met from a local authority's budget. As referred to in paragraph 7.5 above the Council needs to agree the fees paid to the RO to conduct local elections by establishing a scale of fees. There is no specific delegation to set fees for elections. The RO has responsibility for elections, although setting their own fees is not recommended. An officer may under s.14.6.2(e) of the Constitution "*...always refer a delegated decision to the Cabinet or Council or any of their respective Committees rather than make the decision*"; s.14.5.1 further provides "*All those functions relating to elections*" falls to the Council as an effective default.

9.4 With regard to the RO's expenses RPA s.36(5) provides that all expenditure properly incurred by the RO in relation to the holding of a parish council election shall be paid by the district council in which the parish is located, providing that such expenditure does not exceed a fixed scale. Any expenditure incurred shall be repaid by the parish council to the district council if required. RPA s.36(6) provides that before an election of a district or parish councillor, the council shall at the request of the RO advance any reasonable sum in respect of expenses as may be required.

9.5 The canvass, along with other statutory functions including maintaining the Register of Electors is the responsibility of the Electoral Registration Officer and is contained within RPA sections 52 – 54.

10. FINANCIAL IMPLICATIONS

- 10.1. The fees for elections are considered in the budget setting process. The scheduled elections in May 2026 are for parish elections, who are recharged for the costs of running these elections either in full or in part depending on if the election is shared with another election. Any additional costs as a result of the flexible voting pilots will not be recharged to the respective parish, but to MHCLG.
- 10.2. The same applies to elections administered on behalf of the County Council who are also recharged for the costs of running these elections either in full or in part depending on if the election is shared.
- 10.3. The Electoral Commission recommends ratios when allocating electors and staff to Polling Stations which dictates that each Polling Station requires a Presiding Officer and between 1 and 3 Poll Clerks. For the county council election in May 2025, there were 83 Polling Stations across North Hertfordshire with a total of 134 Poll Clerks.
- 10.4. The increase in Poll Clerk fees would equate to an extra £4.32 for each staff member, therefore across 83 Polling Stations would mean an additional £578.88 to the total cost compared to the previous rates.
- 10.5. In 2024, Postal Vote Openers worked a collective 342 hours. As such, the increase to the hourly rate would equate to an additional cost of £92.34 overall. The number of hours in 2026 will be less due to there being fewer elections taking place.

11. RISK IMPLICATIONS

- 11.1. Good Risk Management supports and enhances the decision-making process, increasing the likelihood of the Council meeting its objectives and enabling it to respond quickly and effectively to change. When taking decisions, risks and opportunities must be considered.
- 11.2. The Council needs to ensure it complies with statutory requirements. One element of this is to ensure that it has sufficient staff required to operate an election. Staffing of polling station roles continues to present one of the biggest challenges in the running of elections. If the Council does not pay a competitive rate, it will become increasingly difficult to staff elections because of fees.
- 11.3. The impact of the Elections Act has also increased the complexity in the administration for polling station staff (Presiding Officers, Poll Clerks and Polling Station Inspectors), who are now expected to, amongst other reforms, verify the identity of every voter before a ballot paper is issued. The variety of valid identity documents continues to evolve.
- 11.4. Furthermore, the Electoral Registration Officer has a statutory duty to maintain the Electoral Register, which includes conducting an annual canvass. The recruitment of efficient Canvassers is difficult and if they are not paid a competitive rate, it will become increasingly difficult to conduct an annual canvass.
- 11.5. The Scale of Fees must be balanced against setting a rate that is fair, to ensure that suitable staff are able to be recruited and does not risk any rate falling below the National Living Wage.

12. EQUALITIES IMPLICATIONS

12.1. There are no equalities implications - in line with the Public Sector Equality Duty, public bodies must, in the exercise of their functions, give due regard to the need to eliminate discrimination, harassment, victimisation, to advance equality of opportunity and foster good relations between those who share a protected characteristic and those who do not.

13. SOCIAL VALUE IMPLICATIONS

13.1. The Social Value Act and “go local” requirements do not apply to this report.

14. ENVIRONMENTAL IMPLICATIONS

14.1. There are no known Environmental impacts or requirements that apply to this report.

15. HUMAN RESOURCE IMPLICATIONS

15.1 There are no human resource implications, other than those set out.

15.2 Recruiting staff is highly resource intensive and is organised solely by the Electoral Services Team who contact individuals for their availability to work informing them of the fees the role will incur.

16. APPENDICES

16.1 Appendix A Electoral Services Scale of Fees 2026/27.

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ELECTORAL SERVICES - SCALE OF FEES	2026/2027 RATE	2026/2027 RATE	NIGHT TIME AND SATURDAY RATE	NIGHT TIME AND SATURDAY RATE	SUNDAY AND BANK HOLIDAY	SUNDAY AND BANK HOLIDAY
	(All Fees To Be Paid Hourly Rates)	(All Fees To Be Paid Hourly Rates)	(Payable at 1.5 Times Normal Rate) (Minimum 4 Hours Applicable to Count Roles)	(Payable at 1.5 Times Normal Rate) (Minimum 4 Hours Applicable to Count Roles)	(Payable at 2 Times Normal Rate) (Minimum 4 Hours – Applicable to Count Roles)	(Payable at 2 Times Normal Rate) (Minimum 4 Hours – Applicable to Count Roles)
	Excluding Holiday Fee	Including Holiday Fee	Excluding Holiday Fee	Including Holiday Fee	Excluding Holiday Fee	Including Holiday Fee
1. Polling staff						
Presiding Officer	£16.35	£18.32	N/A	N/A	N/A	N/A
Presiding Officer (covering two stations – additional payment)		£100.00	N/A	N/A	N/A	N/A
Poll Clerk	£12.71	£14.24	N/A	N/A	N/A	N/A
2. Counting staff						
Count Manager / Senior Count Supervisor	£23.20	£26.00	£34.80	£39.00	£46.40	£52.00
Count supervisor (including ballot box receipt and Central Team)	£16.40	£18.38	£24.60	£27.57	£32.80	£36.76
Counting Assistant	£12.71	£14.24	£19.07	£21.36	£25.42	£28.48
Count Media & Comms Manager	£15.62	£17.50	£23.43	£26.25	£31.24	£35.00
Control of Entry / Councillor Liaison / Reception Duty	£12.71	£14.24	£19.07	£21.36	£25.42	£28.48
Elections Porter	£12.71	£14.24	£19.07	£21.36	£25.42	£28.48
3. Postal voting staff						
Postal Vote Opening Manager	£22.31	£25.00	£33.47	£37.50	£44.62	£50.00
Postal Vote Supervisor	£15.62	£17.50	£23.43	£26.25	£31.24	£35.00
Postal Votes Assistant	£12.71	£14.24	£19.07	£21.36	£25.42	£28.48
Postal Vote Quality Control	£13.39	£15.00	£20.09	£22.50	£26.78	£30.00
Car Parking fees for Garden Square Multi Storey			As per parking charges			
4. Polling Station Inspector staff						
Polling Station Inspector	£19.85	£22.25	N/A	N/A	N/A	N/A
5. Clerical Assistance/Ballot Box Preparation						
Administration	£12.71	£14.24	£19.07	£21.36	£25.42	£28.48
6. Returning Officer's fees						
(a) For each contested ward parish:			£300.00			
(b) For each un-contested ward/parish			£35.00			
7. Training						

Presiding Officer	£30.00
Poll Clerk	£30.00
Senior/Polling Station Inspector	£30.00

8. Travel for Polling Station Inspectors / Presiding Officers / Canvassers (Returns) / Postal Vote Issue / Postal Vote Drive

Mileage payable at the recommended HMRC approved amount of 45 pence per mile for cars for the first 10,000 miles and 25 pence per mile thereafter and 20 pence per mile for bicycles.

Mileage payable to Presiding Officers for the following journeys as part of their role:

- Home to District Council offices for Ballot Box collection session (& return)
- Home to Polling Stations on morning of poll
- Polling Station to count venue to deliver Ballot Box
- Count Venue to home

Mileage payable to Canvassers (for the return of canvass forms) for the following journeys as part of their role:

- Home to District Council offices for collection of canvass forms and equipment (& return)
- Within the specified canvass area

9. Canvasser – Canvass Forms and Invitation to Register Forms (RETURNS)

Canvassing	£12.71	£14.24	N/A	N/A	N/A	N/A
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10. Poll Card Delivery, Canvass Form and Postal Vote (DELIVERY) Hand Delivery

Poll Card Delivery (per card)	£0.30
Canvass Form Delivery (per form)	£0.30
Postal Vote (per postal vote)	£0.50

11. Uncontested Elections (including the Returning Officer uncontested fee)

Up to and including 5 seats	£250.00
Between 6 and up to and including 10 seats	£450.00
Over 10 seats	£650.00

12. Holiday Pay	12.07% (as listed above)
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COUNCIL

29 January 2026

PART 1 – PUBLIC DOCUMENT

TITLE OF REPORT: INTERIM REVIEW OF POLLING DISTRICT, POLLING PLACES AND POLLING STATIONS

REPORT OF: Democratic Services Manager / (Acting) Returning Officer / Electoral Registration Officer.

EXECUTIVE MEMBER: Review of Polling Districts and Polling Places – Non-Executive function (Electoral Services: Governance)

COUNCIL PRIORITY: Thriving Communities/ Accessible Services

1. EXECUTIVE SUMMARY

- 1.1. To detail the outcome of the interim review of Polling Districts, Polling Places and Polling Stations following the Community Governance Review in 2025.

2. RECOMMENDATIONS

- 2.1. That Council designates the Polling Districts and Polling Places as per the Returning Officer's Proposals attached as Appendix A to the submitted report, effective as of 2 March 2026.

3. REASONS FOR RECOMMENDATIONS

- 3.1. The Electoral Registration and Administration Act 2013 introduced a change to the timing of compulsory reviews of UK Parliamentary Polling Districts and Polling Places, which had to be concluded by 31 January 2025.
- 3.2. Outside of compulsory reviews, the (Acting) Returning Officer (RO) for each authority is also encouraged to conduct regular assessments of existing arrangements. Following completion of the Community Governance Review (CGR) 2025 which resulted in changes to parish wards – specifically in Ickleford, Baldock, Royston, Clothall and Bygrave. Therefore, the polling arrangements were required to be considered.

4. ALTERNATIVE OPTIONS CONSIDERED

- 4.1. Interim Polling Districts and Polling Places reviews, such as this, should follow the same process as a statutory review.
- 4.2. When designating each polling district and polling place, alternative options have been considered where identified and available. Options are outlined in Appendix A and summarised under paragraph 8.6 of this report.

5. CONSULTATION WITH RELEVANT MEMBERS AND EXTERNAL ORGANISATIONS

5.1. When conducting the review, the Council must:

- Consult the RO for every parliamentary constituency which is wholly or partly in North Hertfordshire; and
- Seek representations from electors and other interested persons and bodies including elected representatives and such persons that have a particular expertise in relation to access to premises or facilities for persons who have different forms of disability.

5.2. The consultation gave respondents the opportunity to make representations on the RO's draft proposals for the arrangement of polling districts, polling places and polling stations.

5.3. In total 20 consultation responses were received – 13 via the online survey and seven via email.

5.4. The Notice of Review was published on 14 October 2025 on the Council's website and at the District Council Offices, as well as being distributed to each parish for display and included within the Members' Information Services (MIS). A press release was issued on 31 October 2025, as well as social media posts to promote the consultation stage.

5.5. Publication of the Notice of Review formally commenced the consultation period which concluded on 30 November 2025.

5.6. As part of the consultation, the Council was required to seek the views of interested bodies or groups. These included local disability groups such as charities who have guides on access. In addition, consideration must be given to the different types of disability that may make voting in person more difficult. The Electoral Commission's guidance stresses the importance of consulting those persons and bodies who have experience of assessing access for persons with different disabilities.

5.7. The following persons or groups were informed of the consultation:

<ul style="list-style-type: none">• MPs for Hitchin and North East Hertfordshire• North Hertfordshire District Councillors• Acting Returning Officers for Hitchin, North East Hertfordshire, and Stevenage• Local Political Parties	<ul style="list-style-type: none">• Parish Councils (via the Parish Clerk)• Age UK Herts• Autism Bedfordshire/Hertfordshire• Hertfordshire Mind• Sheltered accommodation schemes• Stroke Association Hertfordshire• Support Activities Group
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5.8. Stakeholders, including Members of the Council, were approached by email on 14 October 2025 with a further communication sent on 12 November 2025.

5.9. While this review focused on changes as a result of the CGR, the review welcomed any comments or representations on existing polling arrangements for other areas within North Hertfordshire. A full summary of representations is included with this report at Appendix B.

6. FORWARD PLAN

6.1. This report does not contain a recommendation on a key Executive decision and has therefore not been referred to in the Forward Plan.

7. BACKGROUND

7.1. A Community Governance Review (CGR) which considered parish electoral arrangements concluded in 2025. This triggered an interim PDR to take account of the changes to parish boundaries and to ensure that the electorate have suitable facilities for voting as are practicable in the circumstances, and that so far as is reasonably practicable the polling places are accessible to all electors, including those who are disabled.

7.2. The interim review must be concluded in time to advertise publication of the revised Register of Electors on 2 March 2026, so that North Hertfordshire has agreed and functioning polling districts and polling places ready to be used at the scheduled parish elections in May 2026.

7.3. For this report, it is important the following terminology is understood:

- **Polling District** – a geographical area created by sub-dividing an electoral area. All wards within North Hertfordshire are divided into polling districts, which form the basis upon which the register of electors is produced. Unless there are special circumstances, each parish must be in a separate polling district.
- **Polling Place** – the designated building or area within which a polling station is situated. In the absence of any legal definition, this can be regarded as widely as a polling district or as narrowly as the building in which a polling station is located.
- **Polling Station** – the actual room or area within the polling place where voting takes place.

7.4. The overall timescales for the interim PDR are as follows:

14 October 2025	Formal notice of review and commencement of public consultation period
28 October 2025	Publication of (Acting) Returning Officer's comments.
30 November 2025	End of public consultation period
29 January 2026	Final proposals considered by Council
2 March 2026	Publish revised register of electors (where relevant changes have been made).

8. RELEVANT CONSIDERATIONS

- 8.1. A polling district can only be in one parish / ward / division / constituency (i.e. an electoral boundary line cannot cross through a polling district). This means that a parish or community must not be in a polling district which has a part of either a different parish or community within it, or any un-parished part of the local authority area within it, unless special circumstances apply.
- 8.2. Special circumstances can be considered where there is a small number of electors, and it is not practicable for the parish to be its own polling district. Whilst there are a significant number of polling districts within North Hertfordshire with a small number of electors, there are no proposals to amend these boundaries as part of the interim PDR.
- 8.3. Each polling district is allocated with a polling place and a polling station which the electors within the given polling district visit to vote at election time. Polling districts and polling places are fixed by the local authority; it is the Returning Officer for the election who determines the polling station within the polling place.
- 8.4. The Polling Places proposed have been based on an assessment of the available options and the accessibility of the respective venues. These are considered at Appendix A of this report.
- 8.5. As part of the CGR, the following changes were made to parish boundaries:

Bygrave

External boundaries of Bygrave (BBE) were adjusted so that Baldock was excluded to follow the district ward of Baldock East as illustrated in Appendix C.

Clothall

External boundaries of Clothall were adjusted so that Baldock was excluded from them to follow the district wards of Baldock East and Baldock West. Area CBW moved from Clothall to Baldock West and CBE from Clothall to Baldock East as illustrated in Appendix C.

Ickleford

Creation of a new a parish ward for the Lavender Grange community as illustrated in Appendix D:

Ickleford parish ward: 6 councillors
Lavender Grange: 2 councillors

Royston:

The current Town wards were abolished and replaced with wards that aligned completely with the district wards. The number of Town Councillors were reduced from 15 to 13:

Heath: 4

Meridian: 5

Palace: 4

- 8.6. Recommendations at Appendix A of the report are summarised as follows:

Ickleford

1. That the polling district H-CA-ICK – Cadwell (Ickleford) be amended and a new polling district be created to align with the new parish wards, following the boundary determined by the CGR and named as follows:
 - H-CA-ICK – Cadwell (Ickleford) (1509 electors)
 - H-CA-LG – Cadwell (Lavender Grange) (244 electors)
2. That the following polling places are designated as the polling districts:
 - Ickleford Village Hall be the designated polling place for Ickleford parish ward.
 - Ickleford Village Hall be the designated polling place for Lavender Grange parish ward.

Baldock East

3. The following polling districts be amalgamated to form a new polling district called N-BE-2 – Baldock East 2 (29 electors):
 - N-BE-BYW (29 electors)
 - N-BE-CL (0 electors)
4. That Tapps Garden Centre become the designated polling place for N-BE-2 – Baldock East 2.

Royston Heath

5. The following polling districts within the Royston Heath parish ward be amalgamated into one new polling district, N-RHE-3 – Royston Heath 3 (2941 electors):
 - N-RHE-3- Royston Heath 3 (1635 electors)
 - N-RHE-4 Royston Heath 4 (967 electors)
6. That the designated polling place for Royston Heath 3 become The Old School House.
7. That N-RHE-5 - Royston Heath 5 is renamed N-RHE-4 – Royston Heath 4.

Royston Meridian

8. The following polling districts within the Royston Meridian parish ward be amalgamated to create a new polling district, N-RM-1 - Royston Meridian (North) (3112 electors):
 - N-RMR-1 (1240 electors)
 - N-RMR-2 (1872 electors)
9. That the designated polling place for Royston Meridian North be Royston Leisure Centre.
10. The following polling districts within the Royston Meridian parish ward be amalgamated to create a new polling district, N-RM-2 - Royston Meridian (South) (2311 electors):
 - N-RMR-3 (1344 electors)
 - N-RMR-4 (967 electors)
11. That the designated polling place for N-RMR-4 - Royston Meridian 4 be Market Hill Rooms.

Hitchin Walsworth (Billing Place)

12. That the polling district boundary for H-HWA-2 Hitchin Walsworth be moved to incorporate dwellings 1 through 24 at Billing Place (21 electors).
- 8.7. For polls in May 2026 the Council has applied to MHCLG to participate in election pilots. These pilots focus on accessibility. North Herts Council has applied to partake in early in person voting and voting hubs. Where applicable, these polling places have been identified as part of this report.

9. LEGAL IMPLICATIONS

- 9.1. 4.4.1 (q) of the Functions of the Full Council states that Council must 'agree proposals for the compulsory polling districts, polling places and polling stations reviews, district boundaries, electoral wards and the number of District Councillors'.
- 9.2. 14.6.9 (a)(vi) Delegation of Authority - Director: Governance states that Electoral Services B '(subject to compulsory reviews reserved to Full Council) vary polling districts and polling stations.
- 9.3. The Electoral Commission states in its guidance 'Reviews of polling districts, polling places and polling stations' that:

'Between compulsory reviews, all polling places and polling stations used should be kept under consideration, and an evaluation of their suitability carried out after each election. If any changes are identified as being desirable, the same steps should be followed as for conducting the compulsory review.'

The local authority can carry out an interim review and change some of their polling districts and polling places before the end of the 5-year cycle, but the same processes should be undertaken for the affected areas as for the compulsory review. Without going through these processes, the local authority will have difficulty evidencing their decision making and explaining how they took into consideration the views of disabled persons and the reasonable requirements of electors.

- 9.4. Sections 18A – 18E and Schedule A1 of the Representation of the People Act 1983 provides the statutory requirements of the polling review.

10. FINANCIAL IMPLICATIONS

- 10.1. The Electoral Commission recommends ratios when allocating electors and staff to Polling Stations and as the population of the district, and consequently the number of electors increase as new residential developments proceed, will mean new polling stations may be required and therefore have ongoing cost implications.
- 10.2. The anticipated costs of the various elections are taken into account during the annual budget setting process.
- 10.3. For contested Town/Parish/County Council elections the costs are recharged to the respective authority (unless a year when a District Council election or any other election is held in which case the costs are proportioned between the respective Councils).
- 10.4. For uncontested Town/Parish elections the respective Town or Parish councils are charged an uncontested fee as agreed as part of the 'Electoral Services – Scales of Fees' report.
- 10.5. For national polls the government issues a Fees and Charges schedule which identifies for each authority a "maximum recoverable amount" and subsequently claims are made to the Cabinet Office for reimbursement of the fees incurred i.e. Parliamentary/Police and Crime Commissioner elections. Claims can take a significant time to determine, and the Council does not always receive the full amount submitted. As in paragraph 10.3, the cost of national polls is shared if other elections are combined.
- 10.6. As a result of the changes proposed within this interim polling station review will see a minimal reduction in polling stations. While this is not a determining factor there will be some cost savings as a result of these changes:
 - a new polling station with x2 staff following the creation of the Lavender Grange Parish Ward;
 - potentially two less polling stations as a result of the merger of polling districts within Royston (approximately x4 less staff).
- 10.7. Factors which are required to be considered as part of the review of polling places include location, size, availability, and accessibility. The cost of venue hire would be applicable for local elections where the cost of polling place hire is met by the Council.

- 10.8. Scheduled elections in May 2026 are parish elections for Codicote, Kimpton, Knebworth and Royston and the cost is attributable to the respective parish. Any additional costs associated with elections in May 2026 relating to accessibility pilots are to be funded by MHCLG.
- 10.9. If the Council opts to make changes to the Polling Districts as recommended in the report at this meeting, there will be a requirement to re-publish the Revised Register of Electors on 1 March 2026. This will follow mandated advertising of the re-publication of the Revised Register during February 2026 at a cost in the region of £900.

11. RISK IMPLICATIONS

- 11.1. Good Risk Management supports and enhances the decision-making process, increasing the likelihood of the Council meeting its objectives and enabling it to respond quickly and effectively to change. When taking decisions, risks and opportunities must be considered.
- 11.2. The Council needs to ensure it complies with the same requirements when conducting an interim review as it would when conducting a statutory review. If the Council opted to not designate the Polling Districts and Polling Places at this meeting, this would result in severe repercussions on the Electoral Services Team regarding preparations for the forthcoming parish elections as well as for future candidates. This is in addition to the extra burdens already being placed on the Team from opting to take part in the flexible voting pilots.
- 11.3. Once the review has concluded, certain persons have a right to make representations to the Electoral Commission. If, on receipt of such representations, the Electoral Commission finds that the Council did not:
 - Meet the reasonable requirements of the electors in the constituency, or
 - Take sufficient account of the accessibility for disabled persons of a polling station within a designated polling place.

The Electoral Commission may direct the Council to make any alteration to the polling place as deemed necessary, and if the alterations are not enacted within 2 months, the Electoral Commission may make the alterations themselves.

- 11.4. The requirement to undertake the review, including the associated consultation, provides the Council with the opportunity to assess the suitability of polling arrangements, to ensure that facilities provided are accessible to all and do not present any barriers to people's participation in elections.
- 11.5. Between compulsory reviews, all polling places and polling stations continue to be evaluated as to their sustainability at each election.

12. EQUALITIES IMPLICATIONS

- 12.1. In line with the Public Sector Equality Duty, public bodies must, in the exercise of their functions, give due regard to the need to eliminate discrimination, harassment, victimisation, to advance equality of opportunity and foster good relations between those who share a protected characteristic and those who do not.

12.2. As part of the review the Council must:

- Seek to ensure that all electors in a constituency in the local authority area have such reasonable facilities for voting as are practicable in the circumstances.
- Seek to ensure that so far as is reasonable and practicable every polling place is accessible to electors who are disabled.

12.3 The consultation clearly sets out the rationale for the locations of the polling places/station with clear consideration of accessibility.

12.4 A large majority of our polling stations have adequate, if not, excellent facilities for electors with mobility problems. However, it is necessary for us to provide some temporary access ramps in some locations on polling days, to bring them up to a satisfactory standard.

12.5 The suitability and accessibility of polling places continue to be monitored at election times both by the staff employed there and by Polling Station Inspectors (PSI) who are required by the Returning Officer to visit each polling station usually twice during the hours of poll.

13. SOCIAL VALUE IMPLICATIONS

13.1. The Social Value Act and “go local” requirements do not apply to this report. However, if a Polling Place must be an area within the district (unless special circumstances make it desirable to designate an area wholly or partly outside the district) a local provider will usually be used to deliver this.

14. ENVIRONMENTAL IMPLICATIONS

14.1. There are no known Environmental impacts or requirements that apply to this report.

15. HUMAN RESOURCE IMPLICATIONS

15.1. Staffing an election can be highly resource intensive. This varies and is dependent on the type of election. For instance, a by-election or Neighbourhood Plan Referendum requires less resource than a District or Parliamentary election.

15.2. In terms of this report, other than officer time required to inspect, consult, collate, and review proposals in addition to any time spent researching alternative locations, there are no human resource implications.

APPENDICES

15.3. Appendix A – Recommendations and Proposals of the report

15.4. Appendix B – Representations

15.5. Appendix C – Baldock Map (Community Governance Review 2025)

15.6. Appendix D – Lavender Grange Map (Community Governance Review 2025)

15.7. Appendix E – Maps of polling districts referenced at Appendix A of this report

16. CONTACT OFFICERS

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17. BACKGROUND PAPERS

- 17.1. Council's website: Polling District Review
(Polling District and Polling Places Review 2025 including the initial Acting Returning Officer's Recommendations for parliamentary constituencies within the North Hertfordshire District area)
[Polling District Review | North Herts Council](#)
- 17.2. [The North Hertfordshire District \(Reorganisation of Community Governance\) Order 2025](#)
- 17.3. Reviews of Polling Districts, Polling Places and Polling Stations Guidance; The Electoral Commission
[Reviews of polling districts, polling places and polling stations](#)
- 17.4. [Delegated decision - Polling station for Little Wymondley and Todds Green \(formerly at Wymondley Baptist Church\) combined with the polling station for Great Wymondley at Great Wymondley Village Hall.](#)

Ickleford Parish	
<p>The Community Governance Review 2025, (CGR) determined that the parish of Ickleford be split to create two separate parish wards: Lavender Grange to the North, and Ickleford to the South.</p> <p>These changes come into force on the ordinary day of election in 2027. This change requires the creation of a new polling district, in addition to two separate polling stations for each parish ward.</p>	
Representations	
<p>The Council received one representation from a District Councillor on the polling arrangements in Ickleford; stating that the current polling place, Ickleford Village Hall, was unacceptably far away for electors to the North.</p> <p>The Council received no concerns over the suitability of Ickleford Village Hall or Holwell Village Hall for use as polling places.</p>	
Current polling arrangements	
Polling district	H-CA-ICK - Cadwell (Ickleford)
Polling station	Ickleford Village Hall
Electors	1773
<p>Ickleford Village Hall is currently the sole polling place for the parish of Ickleford and situated at the south of the current polling district on Arlesey Road. The village hall is central to the built-up residential area in the South and convenient to many electors within the Ickleford parish ward. For this reason, no changes are proposed to the existing arrangements for electors within the Ickleford parish ward. For electors in Lavender Grange, there is no suitable venue which could be used as a polling place within the Lavender Grange area.</p> <p>To support the changes brought in by the CGR, the current polling district of Ickleford should be split into two separate polling districts and follow the boundary of the new Lavender Grange parish ward.</p> <p>The Council has considered alternate polling places within North Hertfordshire for electors within Lavender Grange. The closest polling place is Holwell Village Hall, approximately two miles to the South-East. Holwell Village Hall is the current polling place for H-CA-HOL - Cadwell (Holwell) (338 electors); whilst outside of the polling district, the village hall could accommodate two polling stations within the village hall. Prior to the creation of the Lavender Grange parish ward, the polling place for the electors was Ickleford Village Hall, approximately three miles to the South. There are bus routes which run from Lavender Grange towards Holwell and Ickleford. Both village halls have carparks.</p> <p>These options were subsequently discussed with the local district ward member for Cadwell who suggested that of the two options it would be preferable to retain the polling district at Ickleford Village Hall.</p> <p>This is the position supported in the 2023 polling district review where it was originally proposed whether the now Lavender Grange parish ward would be better served by polling at Holwell Village Hall, but feedback suggested this was no closer than the existing arrangements, and an alternative venue which was more suitable could not be identified without looking outside of the district (Ickleford shares a border with Central Bedfordshire district). Therefore, with the available options, remaining at Ickleford Village Hall ensures that voters are familiar (as it is their existing station) and that they remain with the rest of the parish of Ickleford.</p>	
Proposals	
<ul style="list-style-type: none"> • That the polling district H-CA-ICK – Cadwell (Ickleford) be amended and a new polling district be created to align with the new parish wards, following the boundary determined by the CGR and named as follows: <ul style="list-style-type: none"> ◦ H-CA-ICK – Cadwell (Ickleford) (1509 electors) ◦ H-CA-LG – Cadwell (Lavender Grange) (244 electors) • That Ickleford Village Hall be the designated polling place for Ickleford parish ward and Lavender Grange parish ward. 	

Proposed polling arrangements summarised:		
Polling district	H-CA-ICK – Cadwell (Ickleford)	H-CA-LG – Cadwell (Lavender Grange)
Polling station	Ickleford Village Hall	Ickleford Village Hall
Electors	1509	244

Baldock, Bygrave, and Clothall

Changes to Baldock, Bygrave, and Clothall following the Community Governance Review 2025 (CGR) come into effect for scheduled elections taking place from May 2027. These changes are as follows:

- N-BE-BYW - Baldock East (Bygrave West) will become part of unparished area of Baldock.
- N-BE-CL - Baldock East (Clothall) will cease to be part of the parish of Clothall and become part of unparished area of Baldock.
- N-BW-CL - Baldock West (Clothall) will cease to be part of the parish of Clothall and become part of unparished area of Baldock

There are currently two polling places within the Baldock area, Baldock Community Centre (Baldock East) and Tapps Garden Centre (Baldock West).

Representations

The Council received five representations for Baldock, Bygrave and Clothall.

A District Councillor suggested that the polling districts could be significantly simplified, while residents suggested that the mergers set out in the RO's recommendations could be problematic prior to the introduction of new authorities.

No concerns have been raised over the use of Baldock Community Centre as a polling place.

The council received comments regarding Tapps Garden Centre stating that it was cramped, with a comment from polling station staff on a dog freely roaming in and out of the polling place. A representation as part of this review suggested that one of the schools or the library could be a suitable alternative.

A further comment was made over the placement of security cameras at Tapps Garden Centre within the polling station with regards to visibility of the polling booths. This is something which can be mitigated by changing the layout of the polling station and will be addressed with polling station staff as part of their training.

Current polling arrangements – Baldock East			
Polling district	N-BE-1 – Baldock East 1	N-BE-BYW - Baldock East (Bygrave West)	N-BE-CL- Baldock East (Clothall)
Polling station	Tapps Garden Centre	Tapps Garden Centre	Tapps Garden Centre
Electors	2294	29	0
District Ward	Baldock East	Baldock East	Baldock East
County Electoral Division	Baldock and Letchworth East	Royston West and Rural	Royston West and Rural
<p>Following feedback from staff at elections in May 2025 and a representation as part of this review alternatives for Tapps Garden Centre have been considered. Suggested alternatives were one of the schools or the library.</p> <p>The polling station at Tapps Garden Centre is situated in the Café. The polling place has ample parking to the front and bus stop around 100m North East on Wallington Road. Access to the garden centre is level through double doors at the front of the building and the café is through a single door - the first right upon entering. The café is glass fronted allowing for ample natural light during the day, in addition to suitable indoor lighting. The room is suitably sized for two polling stations. Tables and chairs within the café are moved to accommodate the polling station,</p> <p>The ARO acknowledges that the use of schools and other educational institutions can be disruptive to the community and pose an inconvenience to parents for the day of poll therefore Hartsfield Junior Mixed & Infant School has not been considered as part of this review.</p> <p>As there is a suitable venue within the polling district and Baldock Library is situated outside of the polling district to the West, across the road from Baldock Community Centre, it has not been considered as part of this review.</p> <p>The amalgamation of N-BE-CL (0 electors) and N-BE-BYW (29 electors) will support the changes brought in with the CGR where both polling districts become part of the unparished area of Baldock, although it is noted that the polling place is marginally outside of the polling district boundary line.</p> <p>Polling arrangements for the district ward of Baldock East could be further simplified with the merger of N-BE-1 (2294 electors), N-BE-BYW, and N-BE-CL to create a single polling district for the Baldock East District Ward (2323 electors). This arrangement could only be considered under special circumstances due to the low number of electors within N-BE-BYW and N-BE-CL.</p> <p>While it is not anticipated that County Council Elections will take place in 2028 as a result of LGR, it is worth noting that electors in N-BE-CL fall under the County Electoral Division for Royston West and Rural, whereas electors for N-BE-1 fall under the County Electoral Division for Baldock and Letchworth East; therefore, and for this reason, the merger of all three polling districts has not been proposed at this time.</p>			
Proposals – Baldock East District Ward (effective May 2027)			
<ul style="list-style-type: none"> • The following polling districts be amalgamated to form a new polling district called N-BE-2 – Baldock East 2 (29 electors): <ul style="list-style-type: none"> ◦ N-BE-BYW (29 electors) ◦ N-BE-CL (0 electors) • That Tapps Garden Centre become the designated polling place for N-BE-2 – Baldock East 2 			

Current polling arrangements – Baldock West				
Polling district	N-BW1-1 – Baldock West 1	N-BW-2 – Baldock West 2	N-BW-3 – Baldock West 3	N-BW-CL –Baldock West (Clothall)
Polling station	Baldock Community Centre	Baldock Community Centre	Baldock Community Centre	Baldock Community Centre
Electors	1304	2355	2147	2
District Ward	Baldock West	Baldock West	Baldock West	Baldock West
County Electoral Division	Baldock and Letchworth East	Baldock and Letchworth East	Baldock and Letchworth East	Royston West and Rural

No concerns have been raised over the use of Baldock Community Centre as a polling place.

Consideration has been given to the merger of polling districts within Baldock West, to simplify polling arrangements. Were this to be undertaken, there would still be a need for multiple (double/triple) polling stations at the designated polling place to effectively support electors voting on the day of poll. The Electoral Commission recommends that a polling station should have no more than 2,250 electors allocated, assuming the poll is not combined.

The amalgamation of N-BW-CL (2 electors) and N-BW-3 (2147 electors) will support changes brought in with the CGR where N-BL-CL becomes part of the unparished area of Baldock. The amalgamation of these two polling districts will support the simplification of polling districts within Baldock.

While it is not anticipated that County Council Elections will take place in 2028 as a result of LGR, it is worth noting that electors in N-BW-CL fall under the County Electoral Division for Royston West and Rural, whereas electors for N-BW-3 fall under the County Electoral Division for Baldock and Letchworth East; therefore, and for this reason, the merger of these two polling districts has not been proposed at this time.

Proposals – Baldock West District Ward (effective May 2027)

Due to N-BW-CL –Baldock West (Clothall) having a different County Electoral Division to the remaining polling districts, no changes to the current polling arrangements are proposed at this time.

Royston

Changes to Royston following the Community Governance Review 2025 (CGR) come into effect for scheduled elections taking place in May 2026. These changes are as follows:

- Existing parish wards are to be abolished
- The parish of Royston shall be divided into the following three parish wards to align with the district ward boundaries:
 - Royston Heath
 - Royston Meridian
 - Royston Palace
- Each parish ward shall comprise the area of the district ward bearing the same name.

The civil parish of Royston is a highly populated town. There are rural areas towards the South and the East, and a retail area in the North-West. There are currently eleven polling districts. Following the recent CGR, there is scope to reduce the number of polling districts and, in turn, reduce the number of polling places used.

Representations

The Council received seven representations for Royston in total. Three representations specifically for Royston Heath, three for Royston Meridian, and none for Royston Palace.

A resident considered that the polling district boundaries were satisfactory but challenged the relevance of this review considering it a waste of council resources.

Royston Heath

One resident considered that N-RHR-4 relocate to either the Old School House or Market Hill Rooms as the Museum was considered somewhat out of the way. Two residents suggested that any changes could be problematic prior to mergers resulting from LGR.

Royston Meridian

One resident requested that the Royston Leisure Centre (and all other polling stations) remain unchanged as they are conveniently placed for all electors.

A district councillor suggested that RMR-3 and RMR 4 be co-located to reduce the number of polling places within Royston Town Centre.

Current polling arrangements – Royston Heath Parish Ward (effective May 2026)					
Polling district	N-RHE-1 - Royston Heath 1	N-RHE-2 - Royston Heath 2	N-RHE-3 - Royston Heath 3	N N-RHE-4 - Royston Heath 4	N-RHE-5 - Royston Heath 5
Polling station	Royston Evangelical Church	Royston Evangelical Church	Royston Museum	Royston Museum	The Old Schoolhouse
Electors	140	738	1660	1281	201
District Ward	Royston Heath	Royston Heath	Royston Heath	Royston Heath	Royston Heath
County Electoral Division	Royston East and Ermine	Royston West and Rural	Royston West and Rural	Royston West and Rural	Royston East and Ermine
<p>Royston Heath currently consists of five separate polling districts, with N-RHE2 and N-RHE-3 separated by the train line running along the boundary. Polling districts N-RHE-1 (140 electors) and N-RHE-5 (201 electors) will form part of the Royston Heath parish ward for elections taking place in May 2026.</p> <p>One representation suggested the amalgamation of N-RHE-3 (1660 electors) and N-RHE-4 (1281 electors) into a single polling district; this would support the streamlining of polling arrangements within Royston Heath and create a polling district of 2941 electors. Any further mergers of polling districts within Royston Heath would need to be considered under special measures due to the current boundaries corresponding with those for county electoral divisions.</p> <p>Royston Evangelical Church is situated to the North East of Royston Heath, on the corner of Old North Road and York Way. There is a carpark, and bus stops a short walk from the polling place. The church is well lit and can comfortably accommodate at least two polling stations. It is worth noting that there is currently no internet at this polling place.</p> <p>Royston Museum is located to the East of Royston Heath. The museum does not have any parking, or a drop off point, including disabled parking. There are bus stops to the north on Kneeworth Street and to the South on Baldock Street. To access the polling place there is a ramp. The museum itself is well lit and there is room to manoeuvre a wheelchair. The Museum is currently used as a double polling station. At present the museum is closed, and due to re-open February 2026.</p> <p>Centrally located to the East of Royston Heath (but just outside of the polling district) The Old School House on Market Hill has limited nearby pay and display parking (on the road), further parking at Priory Gardens Carpark, and a short walk away. There are bus stops to the North on Baldock Street, Melbourn Street, and to the South at Royston Bus Station. Access to the polling place is via a slight step, and the hall could accommodate two polling stations.</p> <p>No concerns were raised over the current polling places, therefore, were the recommendation to reduce polling districts from five to four approved, consideration could be given to moving the polling place for N-RHE-3 and N-RHE-4 to co-locate with N-RHE-5 at the Old School House.</p> <p>The amalgamation of N-RHE-1 (140 electors) with N-RHE-2 (738 electors) will support changes brought in with the CGR where N-RHE-1 becomes part of the parish ward of Royston Heath. These could be amalgamated to create a single polling district with 878 electors which would support the simplification of polling districts within Royston. The designated polling place for both polling districts is currently Royston Evangelical Church.</p> <p>Furthermore, the amalgamation of N-RHE-5 (202 electors) with N-RHE-3 (1660 electors) and N-RHE-4 (1281 electors) will support changes brought in with the CGR where N-RHE-5 becomes part of the parish ward of Royston Heath. This could be amalgamated to create a single polling district with 3143 electors and support the simplification of polling districts within Royston. The designated polling places are currently Royston Museum and The Old School House</p> <p>While it is not anticipated that County Council Elections will take place in 2028 as a result of LGR, it is worth noting that Royston Heath contains two different County Electoral divisions. N-RHE-2, N-RHE-3, and N-RHE-4 are part of the county electoral division for Royston West and Rural, while N-RHE-1 and N-RHE-5 are part of the county electoral division for Royston East and Ermine; therefore, and for this reason, the mergers considered above have not been proposed at this time.</p>					

Proposals – Royston Heath Parish Ward (effective May 2026)				
<ul style="list-style-type: none"> The following polling districts within the Royston Heath parish ward be amalgamated into one new polling district, N-RHE-3 – Royston Heath 3 (2941 electors): <ul style="list-style-type: none"> N-RHE-3- Royston Heath 3 (1635 electors) N-RHE-4 Royston Heath 4 (967 electors) That the designated polling place for Royston Heath 3 become The Old School House. That N-RHE-5 - Royston Heath 5 is renamed N-RHE-4 – Royston Heath 4. 				
Proposed polling arrangements summarised – Royston Heath Parish Ward (effective May 2026)				
Polling district	N-RHE-1 - Royston Heath 1	N-RHE-2 - Royston Heath 2	N-RHE-3 – Royston Heath 3	N-RHE-4 – Royston Heath 4
Former Polling District	N-RHE-1 - Royston Heath 1	N-RHE-2 - Royston Heath 2	N-RHE-3 - Royston Heath 3 N-RHE-4 - Royston Heath 4	N-RHE-5 - Royston Heath 5
Polling Place	Royston Evangelical Church	Royston Evangelical Church	The Old Schoolhouse	The Old Schoolhouse
Former Polling Place	Royston Evangelical Church	Royston Evangelical Church	Royston Museum	The Old Schoolhouse
Electors	140	738	2941	201
District Ward	Royston Heath	Royston Heath	Royston Heath	Royston Heath
County Electoral Division	Royston East and Ermine	Royston West and Rural	Royston West and Rural	Royston East and Ermine

Current polling arrangements – Royston Meridian Parish Ward (effective May 2026)				
Polling district	N-RMR-1 - Royston Meridian 1	N-RMR-2 - Royston Meridian 2	N-RMR-3 - Royston Meridian 3	N-RMR-4 - Royston Meridian 4
Polling station	Royston Leisure Centre	Royston Leisure Centre	Royston Library	Market Hill Rooms
Electors	1240	1872	1344	967
District Ward	Royston Meridian	Royston Meridian	Royston Meridian	Royston Meridian
County Electoral Division	Royston East and Ermine			

Royston Meridian currently consists of four separate polling districts, two to the North of Newmarket Road, sharing a single polling place, and two to the South with separate polling places.

The merger of N-RMR-1 and N-RMR-2 to create a new polling district will streamline polling arrangements with no impact to the elector.

Merging N-RMR-3 and N-RMR-4 would streamline polling arrangements, with the impact on half the electorate being a change in polling station.

This would reduce the number of polling districts in Royston Meridian parish ward from four to two, with the boundary running along New Market Road creating a North South divide.

Royston Leisure Centre is the current polling station for N-RMR-1 and N-RMR-2. The Returning Officer currently uses the sports hall as a polling station. There is building work currently underway with a new studio due to complete in early spring, which has potential to be a suitable alternative to the sports hall. Due to the size of the hall, location and high footfall, Royston Leisure Centre has been identified for use as a polling hub at potential elections pilots taking place in May 2026.

Market Hill Rooms is located on the corner of Market Hill and Fish Hill, just outside of the polling district boundary for N-RMR-3. Priory Garden Car Park is the closest car park to the Market Hill Rooms, and bus stops are located to the South-West on Barkway Street and to the North-East on Priory Lane. Access to the polling place is level, and the main hall can comfortably accommodate a double polling station. There is potential to allocate limited disabled parking at the back of the polling place.

Royston Library is located on Market Hill, to the South of The Old School House also outside of the polling district. There is public parking nearby, with disabled parking bays). A review of the polling station in 2023 states that bookshelves can be moved to create space and that it may be able to accommodate two polling stations.

Were N-RMR-3 and N-RMR-4 to be amalgamated, the Market Hill Rooms is the recommended polling place to co-locate the polling stations. This is due to the hall being of a sufficient size to comfortably accommodate a double polling station. While the Priory carpark is a similar distance to both polling places, the Market Hill Rooms are located just over the boundary and therefore closer to the parish ward.

Proposals – Royston Meridian Parish Ward (effective May 2026)				
1.	The following polling districts within the Royston Meridian parish ward be amalgamated to create a new polling district, N-RM-1 - Royston Meridian (North) (3112 electors)			
	<ol style="list-style-type: none"> N-RMR-1 (1240 electors) N-RMR-2 (1872 electors) That the designated polling place for Royston Meridian North be Royston Leisure Centre 			
2.	The following polling districts within the Royston Meridian parish ward be amalgamated to create a new polling district, N-RM-2 - Royston Meridian (South) (2311 electors)			
	<ol style="list-style-type: none"> N-RMR-3 (1344 electors) N-RMR-4 (967 electors) That the designated polling place for Royston Meridian South be Market Hill Rooms 			

Proposed polling arrangements summarised – Royston Meridian Parish Ward (effective May 2026)		
Polling district	N-RM-1 - Royston Meridian (North)	N-RM-2 - Royston Meridian (South)
Former Polling District	N-RMR-1 - Royston Meridian 1 N-RMR-2 - Royston Meridian 2	N-RMR-3 - Royston Meridian 3 N-RMR-4 - Royston Meridian 4
Polling Place	Royston Leisure Centre	Market Hill Rooms
Former Polling Place	Royston Leisure Centre	Royston Library Market Hill Rooms
Electors	3112	2311
District Ward	Royston Meridian	Royston Meridian
County Electoral Division	Royston East and Ermine	Royston East and Ermine

Royston Palace Parish Ward		
Representations		
No representations were received specifically for the Royston Palace parish ward.		
Current polling arrangements		
Polling district	N-RPA-1 - Royston Palace 1	N-RPA-2 - Royston Palace 2
Polling station	Coombes Community Centre	Royston Town Hall
Electors	2370	1882
<p>Coombes Community Centre is located toward the North East of the parish ward and situated within a residential area. The polling place has sufficient parking to the side and the rear of the polling place, in addition to bus stops to the West along Burns Road.</p> <p>There is sufficient space to access the polling place for electors with mobility issues and designated disabled parking to the front of the venue. The hall at the community centre is the preferred polling station and located towards the North East corner of the building; however, this is not always available for use.</p> <p>The Returning Officer has previously used the Rainbow Room located in the West corner of the building. The Rainbow Room is suitable for polls where a lower turnout is anticipated but could be problematic for electors with mobility concerns navigating around the polling station. No concerns have been raised over the polling place; therefore, it is recommended that Coombes Community Centre remain the designated polling place for this polling district.</p> <p>Due to the size of the hall and central location, Coombes Community Centre has been identified for use as a polling hub at potential elections pilots taking place in May 2026.</p> <p>Royston Town Hall is situated towards the South East of the parish ward. The polling station has ample parking on site, and has a bus stop outside of the polling place. Access to the polling station is through the front of the building, via the entrance on Melbourn Street, and easily accessible for those with mobility concerns. The polling place is of a size sufficient to accommodate a double polling station within the hall.</p> <p>Due to the size of the hall and central location, Royston Town Hall has been identified for use as a polling hub at potential elections pilots taking place in May 2026.</p>		
Proposals - Royston Palace Parish (effective May 2026)		
No changes to the current polling arrangements are proposed at this time.		

The following areas were not impacted as part of the Community Governance Review 2025 (CGR).

Caldecote (12 electors)-and Newnham (79 electors)
Due to Caldecote and Newnham being two separate Parish Wards, any merger between the two electorates is not feasible.

Hitchin Bearton					
The Returning Officer highlighted in their recommendations that the electorate for H-HBE- 4 - Hitchin Bearton 4 could be co-located to a closer polling place, The Catholic Parish Church, situated within H-HBE- 3 - Hitchin Bearton 3.					
Representations					
One representation was received regarding Hitchin Bearton, suggesting that mergers could be problematic prior to moving to new unitary authorities.					
Current polling arrangements					
Polling district	H-HBE-1 - Hitchin Bearton 1	H-HBE-2 - Hitchin Bearton 2	H-HBE-3 - Hitchin Bearton 3	H-HBE-4 - Hitchin Bearton 4	H-HBE-5 - Hitchin Bearton 5
Polling station	Hitchin Scout Hut/Shop	Hitchin Rugby Clubhouse	Catholic Parish Church Hall	Walsworth Road Baptist Church	Walsworth Road Baptist Church
Electors	759	2498	2896	12	681
District Ward	Hitchin Bearton	Hitchin Bearton	Hitchin Bearton	Hitchin Bearton	Hitchin Bearton
County Electoral Division	Hitchin North	Hitchin North	Hitchin North	Hitchin South	Hitchin South
Parliamentary Constituency	Hitchin	Hitchin	Hitchin	Hitchin	Hitchin
Electors in H-HBE-4 - Hitchin Bearton 4 (12 electors) currently travel through H-HBE-3 - Hitchin Bearton 3, passing the Catholic Parish Church Hall to get to their polling place, Walsworth Road Baptist Church.					
Due to geographical placement of the two polling districts, it is not viable to merge them, however relocating the electors to the Catholic Parish Church Hall on Nightingale Road while closer to the polling district from an administrative point of view at a County level election would be more difficult as they would be required to vote in a different polling station and could result in confusion for those electors. Based on this no changes to the polling arrangements are recommended at this time.					
Proposals					
No changes to the current polling arrangements are proposed at this time.					

H-HBE-5 – Hitchin Bearton 5 - Benslow Music**H-HHI-1 – Hitchin Highbury 1 - Walsworth Rd Baptist church**

The Council has received a request raising concerns over the placement of polling places for electors in H-HBE-5 and H-HHI-1, siting that the hill is problematic for some electors.

The current polling places serve the polling districts which they are situated within, and while the council acknowledge that Benslow Lane is a hill, no other concerns have been raised over the polling arrangements.

During the 2023 polling district review it is noted in the consultation responses were overwhelmingly in favour of retaining the polling place at Benslow Music.

The boundary between the polling districts is the boundary line between the district wards of Hitchin Bearton and Hitchin Highbury. Alternate polling places within H-HHI-1 could be the William Ranson Primary School or the Hitchin Girls School, however the ARO acknowledges that the use of schools and other educational institutions can be disruptive to the community and pose an inconvenience to parents for the day of poll and does not consider this to be a practical alternative.

As no concerns over the polling places have been raised, no changes are recommended to the current polling arrangements at this time.

Hitchwood (Langley)

Following the Hertfordshire County Council elections in May 2025, the Council was approached by a resident of Langley offering use of his garden shed/home office as a polling place within the H-HWO-LAN – Hitchwood (Langley) polling district.

It is not recommended that residential properties are used as polling places, where this is part of someone's house or shed, due to the potential safeguarding concerns this could pose.

The Council acknowledges that there are limited options for polling places within Langley and have approached Almshoe Glamping, White Lane, St Ippolts, as to whether they may have a suitable venue. At time of writing a response is outstanding.

The current polling place for the polling district is New Fellowship Hall, Whitwell which is also the designated polling place for H-HWO - SPW (St Pauls Walden). No concerns have been received regarding the New Fellowship Hall; therefore, no changes are recommended at this time.

H-HWA-1 – Hitchin Walsworth (Billing Place)		
Representation		
One representation was received suggesting that elector's resident on the Billing Place, Hitchin Walsworth would be better moved from polling district H-HWA-1 to H-HWA-2.		
Current Polling Arrangements		
Polling District	H-HWA-1 – Hitchin Walsworth 1	H-HWA-2 – Hitchin Walsworth 2
Electors	1475	1591
<p>Billing Place has 24 properties (numbered 1 through 24), with 21 registered electors and part of H-HWA-1. Access to Billing Place is from Hampden Road, not Cambridge Road, and electors currently drive past the polling place at the New Testament Church of God to attend their polling place at Walsworth Community Centre. Electors in dwellings 1, 3, 5, and 7 Hampden Road are currently part of H-HWA-2. If Billing Place were to be moved from H-HWA-1 to H-HWA-2 electors would be reallocated to the New Testament Church of God as a polling place which is significantly closer.</p>		
Proposal		
That the polling district boundary for H-HWA-2 Hitchin Walsworth be moved to incorporate dwellings 1 through 24 at Billing Place (21 electors).		
Proposal summarised		
Polling District	H-HWA-1 – Hitchin Walsworth 1	H-HWA-2 – Hitchin Walsworth 2
Electors	1454	1612

S-KN-CDE – Knebworth (Codicote – East)		
Representation		
In January 2025 the Council was approached with a request from two electors to vote at the Oaklands Primary School as it was closer than the designated polling place.		
Current Polling Arrangements		
The current polling place for S-KN-CDE – Knebworth (Codicote – East) is John Clements Sports and Community Centre, Codicote. This polling place is located within North Hertfordshire, in the neighbouring polling district of S-CK-CVL – Codicote and Kimpton (Codicote Village). The community centre is close to the boundary of the polling district which runs from the North round to the South-East, making it accessible to electors' resident towards the North and North-East of S-KN-CDE – Knebworth (Codicote – East). The ARO acknowledges that the use of schools and other educational institutions can be disruptive to the community and pose an inconvenience to parents for the day of poll. Due to the lack of concerns over the existing polling arrangements, in addition to Oaklands Primary School being located outside of the North Hertfordshire district, no changes to the current polling arrangements are recommended at this time.		
Proposal		
No changes to the current polling arrangements are proposed at this time.		

Letchworth South West				
Representation				
Current Polling Arrangements				
Polling district	N-LSW-1 – Letchworth South West 1	N-LSW-2 – Letchworth South West 2	N-LSW-3 – Letchworth South West 3	N-LSW-4 – Letchworth South West 4
Polling station	Museum at One Garden City	The Cloisters	The Cloisters	Willian Village Hall
Electors	2665	2146	1671	159
<p>The current polling district boundary between N-LSW-1 and N-LSW-2 runs along the back of the property boundary between residents on Meadow Way and Pixmore Way. To consider the change proposed by the representation would require the changing of polling district boundaries of N-LSW-1 and N-LSW2. These changes would an increase in the electorate polling at the museum.</p> <p>The Museum One Garden City (OGC) states on its website that it is a micro museum. There is limited parking available at the museum, however it is centrally located to the polling district. Moving the boundary of the polling district as suggested in the representation would increase the electorate to over the recommended number of electors per polling station and require a second polling station to be created at the museum.</p> <p>A double station has been attempted at this polling place previously, with one polling station located within the museum and a second in an office space further into the building. Election staff have previously commented that the museum is very small. It is acknowledged that there is no other suitable venue for hire within the polling district.</p> <p>There is no dedicated parking at the museum, with limited free parking bays on Arena Parade, and some surrounding roads. The closest carparks are available at Morrisons or Letchworth Town Hall.</p> <p>During the statutory PDR in 2023, consultation responses from Members of the public were generally in favour of retaining the polling place at OGC raising its close walking distance and accessibility. Similar comments were received from responses in relation to The Cloisters.</p> <p>The Cloisters is a large venue, with ample space and currently hosts a two polling stations for the Letchworth South West District Ward. There is ample free parking on site, which supports the accessibility needs for electors with mobility issues who can park at the rear of the venue which has in bays next to the entrance to the polling place.</p> <p>As the difference in distance travelled is minimal for electors to their designated polling place, from an accessibility perspective The Cloisters is considered the preferred venue.</p> <p>As no further comments were received regarding polling arrangements in Letchworth South West, no changes are proposed at this time.</p>				
Proposals				
That no changes are made to the current polling arrangements at this time.				

Letchworth Wilbury
Due to the district ward boundaries not being coterminous with the country divisional boundaries, no changes are recommended to the current polling arrangements at this time.

Nuthampstead and Barkway

Due to the Nuthampstead and Barkway being separate parishes, no changes are recommended to the current polling arrangements at this time.

Preston Village Hall, Preston (362 electors)

The Council received one response to the PDR regarding Preston Village Hall. The village hall as a polling place was considered suitable, however the resident somewhat disagreed that there was adequate disabled parking available.

As there was no request to consider an alternate polling place no further action has been taken.

Whitehill Junior School, Hitchin

The Council was approached by the Head Teacher of Whitehill Junior School following the Hertfordshire County Council elections in May 2025 requesting that an alternate polling place be sought, due to the disruption this causes students the week prior to taking their SATs and concerns and complaints received by the school from parents.

An alternative polling place could be St. Johns Community Centre. St. Johns Community Centre currently provides a small hall for use as a polling station. There is also a larger hall which has regular bookings.

There is potential to relocate electors from the Whitehill Junior School to St. Johns Community Centre, however this would require access to both halls due to the Returning Officer hosting three polling stations across two halls.

At time of writing the Council has not heard back from St. Johns Community Centre, therefore no changes are recommended but we will continue to seek alternative locations prior to any future elections.

Wymondley**Representations**

The parish council submitted a response to the PDR that they disagreed with the suitability of Great Wymondley Village Hall for use as a polling place, stating that there is no parking and limited public transport. They suggested that a polling place should be designated within Little Wymondley – suggesting the Wymondley Junior Mixed and Infant School or the Baptist Church.

Current polling arrangements

Polling district	H-GW-GTW - Grv St Ipps & W` ley (Wymondley - Gt Wymondley)	H-GW-LTW - Grv St Ipps & W` ley (Wymondley - Lt Wymondley)	H-GW-WTG - Grv St Ipps & W` ley (Wymondley - Todds Green)
Polling station	Great Wymondley Village Hall	Great Wymondley Village Hall	Great Wymondley Village Hall
Electors	134	655	117
Parish Ward	Wymondley (Great Wymondley)	Wymondley (Little Wymondley)	Wymondley (Todds Green)

Wymondley Baptist Church is located on Stevenage Road, and central to Little Wymondley. The Church Hall was previously used as a polling station and delegated as part of the Polling District and Polling Places Review 2023, but in early 2024 the RO was advised that the Church Hall was no longer available for hire.

There was extensive consideration of other venues in the area, and these were considered within the delegated decision taken on 8 March 2024 as follows:

Wymondley JMI School - This has previously been used as a polling station and the school would accommodate a polling station, provided certain safeguarding measures are put in place, essentially providing additional members

of staff to act as security to prevent pupils from being able to leave the premises or members of the public being able to access parts of the school building that they were not authorised to do so.

As the main school hall would be used as the polling station, a member of staff would need to be positioned to act as security at the main reception door to manage people entering the building and to direct them to the main hall. Entering via the main entrance does pose accessibility issues as there are some large steps to access the main hall.

Due to the access issues an alternative entrance to the main hall was considered. However, that access opened to a path in the school playground. Although there are less steps to negotiate, which could be resolved via a temporary ramp, the fact that access is directly in the school playground creates wider safeguarding and security issues when children are using the playground.

This venue has therefore been discounted, given the complications of having to provide additional equipment and staff to resolve the issues mentioned. In addition, from a staff welfare point it is less than ideal to expect a member of polling station staff to be permanently stationed outside in potentially inclement weather and temperatures.

St Marys Church

The church is in the parish, near to the Baptist Church. Following a site visit, although the room itself is suitable as a polling station, there is concern regarding the facilities available for staff. The toilet is a porta loo, there is no running water or heating facilities, and outside lighting may be an issue when dark.

Wymondley Tennis Club

The Tennis Club advised that the facilities are very small.

Little Wymondley Playing Field

The Parish Council indicated that the football facilities consisted of changing rooms, a kitchen and showers.

Needham House

Unavailable for hire.

Plume of Feathers pub

Following a site visit the proposed room is a temporary structure outside in the pub garden, rather than the actual main building itself. It was therefore felt that this would not be appropriate as a polling station as it lacked the facilities required, particularly if the election was in the colder months.

Portacabin

Renting a portacabin creates the same issues as mentioned regarding St Marys Church in terms of facilities for staff. Land to site the portacabin, along with permission would need to be sought. The hire costs of a portacabin, along with the required generator and Portaloo is significant and are not an easy solution.

The Council has approached Wymondley Junior Mixed and Infant School, Wymondley Baptist Church, and the Plume and Feathers (public house) to see whether they may have a suitable space available for use. At time of writing the Council is yet to receive a response.

The ARO acknowledges that the use of schools and other educational institutions can be disruptive to the community and pose an inconvenience to parents for the day of poll therefore consideration of the Wymondley Junior Mixed and Infant School has been considered where no other viable option is available.

Alternate venues were considered in March 2024, and it was determined that due to the combined electorate being small (currently 906) the Great Wymondley Village Hall would be the best option.

Proposals

That Great Wymondley Village Hall remain the designated polling place.

No further changes are proposed at this time.

APPENDIX B – Representations

Summary of responses to the Interim Polling District and Polling Places Review:

Twenty representations were received from nineteen persons to the Interim Polling District and Polling Places Review, these are detailed below.

Number	Respondent	Method of Response	Polling District(s) / Polling Station(s)	Polling District comment	Polling Station comment
1	Resident of North Herts	Email	Graveley Village Hall, High Street H-GW-GRA		The Village Hall is good and convenient.
2	District Councillor	Email	All polling stations in Royston N-RMR-3, N-RMR-4	Since the CRG in 2025, both polling districts are now in the same ward/division at every level.	Suggestion to co-locate polling stations for these polling districts to reduce the number of different polling places required in Royston Town Centre.
3	District Councillor	Email	Museum at One Garden City N-LSW-2		Electors who live in Meadow Way and surrounding areas (including the top of Spring Road) should be able to vote at Letchworth Museum. Request to change the polling place back to Avenue 1 (Letchworth Museum).
4	Ashwell Parish Council	Email	Ashwell Parish Room N-AR-ASH		Ashwell Parish Council are happy with the existing arrangement for Ashwell.
5	District Councillor	Online form and email	N-BW-3, N-BW-CL Baldock Community Centre	Supports existing polling arrangements	Polling districts for Baldock could be significantly simplified as they are fragmented after the most recent boundary changes

Number	Respondent	Method of Response	Polling District(s) / Polling Station(s)	Polling District comment	Polling Station comment
6	Resident of North Herts	Email	Baldock East: N-BE-1, N-BE-BYW, N-BE-CL Baldock West: N-BW-1, N-BW-2, N-BW-3, N-BW-CL Hitchin Bearton: H-HBE-1, H-HBE-2, H-HBE-3, H- HBE-4, H-HBE-5, H-HBE-5B Letchworth Wilbury: N-LWI-1, N-LWI-1B, N-LWI-2, N-LWI-3	No changes to be made except where necessary (for parish elections). Suggested mergers will be problematic prior to the introduction of the new unitary authorities. It would be a mistake to create N-BE-CL that includes N-BW-CL (geographically separated from the other two parts) but not the old N-BE-CL.	
7	Resident of North Herts	Email	H-HWA-1 H-HWA-2 Baldock East: N-BE-1, N-BE-BYW, N-BE-CL Baldock West: N-BW-1, N-BW-2, N-BW-3, N-BW-CL Hitchin Bearton: H-HBE-1, H-HBE-2, H-HBE-3, H- HBE-4, H-HBE-5, H-HBE-5B Royston Heath: N-RHE-1, N-RHE-2, N-RHE-3, N- RHE-4, N-RHE-5	The road Billing Place [Hitchin Walsworth ward] would be better moved from polling district H-HWA-1 to H-HWA-2. Mergers suggested would be problematic prior to moving to new unitary authorities.	Billing Place is much closer to the normal H-HWA-2 polling station (the New Testament Church of God, located at the same end of Hampden Road as Billing Place) than to the normal H-HWA-1 polling station (the Walsworth Community Centre on Woolgrove Road).

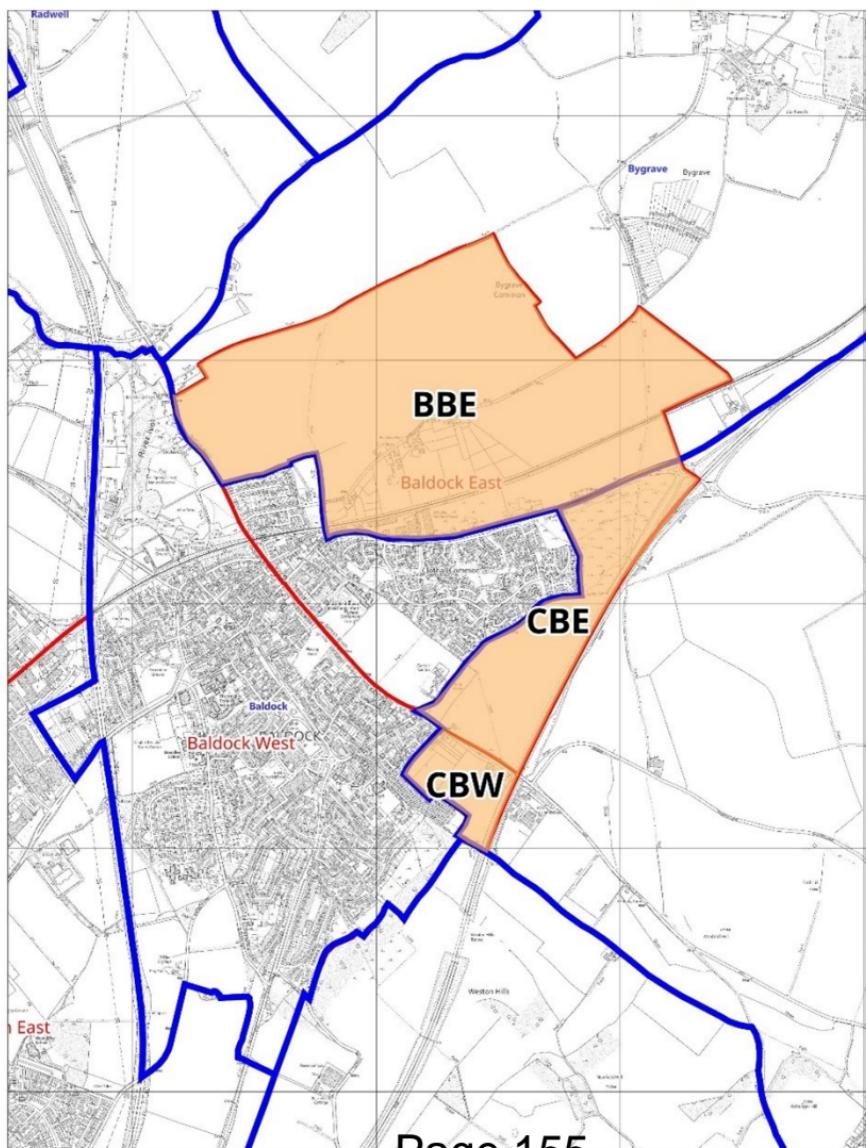
Number	Respondent	Method of Response	Polling District(s) / Polling Station(s)	Polling District comment	Polling Station comment
8	District Councillor	Online form	H-CA-ICK Ickleford Village Hall and the respective parish wards	The polling district boundaries are considered suitable.	The CGR created a new parish ward for Lavender Grange. The nearest polling station for residents is still unacceptably far away in Ickleford village. However, there is no suitable building to use as a polling station within the ward.
9	Resident of North Herts	Online form	Royston Polling Districts N-RHE-1, N-RHE-2, N-RHE-3, N-RHE-4, N-RMR-1, N-RMR-2, N-RMR-3, N-RMR-4, N-RPA-1, N-RPA-2	The polling district boundaries are considered suitable.	[This resident suggested to cancel the polling district review and redirect funds towards “ <i>better services</i> ” including fixing pot holes, reducing council tax bills, to improve the lives of residents.]
10 Page 151	Resident of North Herts	Online form	Royston Leisure Centre But also N-RHE-1, N-RHE-2, N-RHE-3, N-RHE-4, N-RMR-1, N-RMR-2, N-RMR-3, N-RMR-4, N-RPA-1, N-RPA-2		The Leisure Centre polling station and all the other Royston polling stations need to be kept in Royston as they are all conveniently placed for all Royston Residents.
11	Resident of North Herts	Online form	Baldock Community Centre - Large Hall		Baldock Community Centre is the most suitable venue the elector has used in [all the electors’] years of voting in several counties.
12	Resident of North Herts	Online form	Tapps Garden Centre		The area is cramped with chairs stacked up near the booths. The booths are too close together and small. There is a security camera in the room and seems to be facing the booths. Suggested alternative: One of the schools or the library.

Number	Respondent	Method of Response	Polling District(s) / Polling Station(s)	Polling District comment	Polling Station comment
13	Resident of North Herts	Online form	Knebworth Village Hall		The place (Knebworth Village Hall) works perfectly as a polling station. Don't change it.
14	Resident of North Herts	Online form	Royston Museum The Old School House N-RHE-3, N-RHE-4		Old Schoolhouse or Market Hill Rooms for N-RHE-4 Royston Heath 4 as it is closer and in a much more logical location for central town shopping etc. while the Museum is somewhat out of the way in comparison.
15	Resident of North Herts	Online form	St Johns Community Centre H-HHI-2		Fairly recently our polling station moved from Whitehill Junior School to St John's Community Centre. I can understand that the school might not want the disruption (and sympathise with staff) that polling causes but Whitehill was a more convenient location than St John's for Wymondley Road area voters.
16 Page 152	Resident of North Herts	Online form	The Cloisters, Barrington Road N-LSW-3		The response to the online form agreed with all statements regarding the suitability of this polling place and had no opinion whether there were suitable facilities (i.e. toilets) or a separate room available for checking Voter ID.

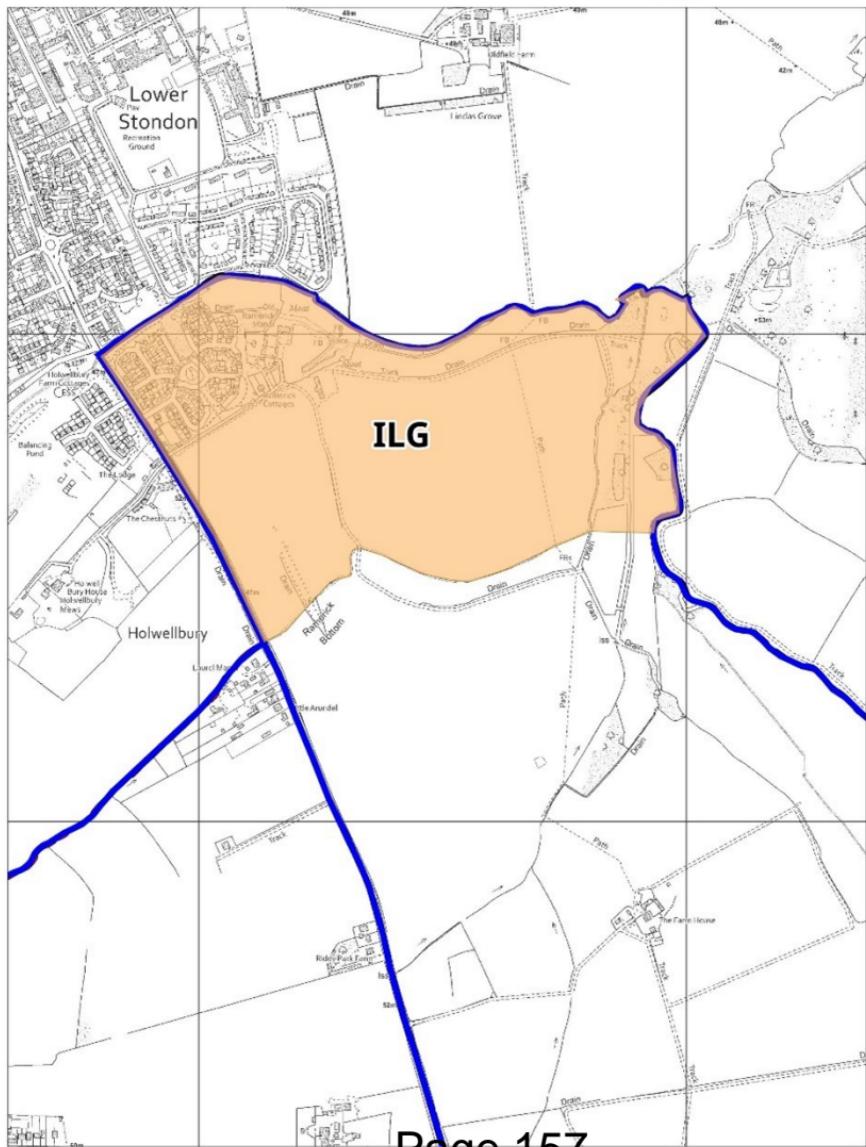
Number	Respondent	Method of Response	Polling District(s) / Polling Station(s)	Polling District comment	Polling Station comment
17	Resident of North Herts	Online form	Clulow Room, St George's Hall, Common View, SG6 1DA N-LNR-1, N-LNR-1B, N-LNR-2, N-LNR-2B, N-LNR-3, N-LNR-3B	Pedestrian pavements and crossings need improved	<p>For residents based in Ashfield Drive - Madden Gardens development - this seems like it would be a far walk for some with disabilities. Pedestrian crossings aren't great from this residential area to this location and it is a 20 min walk. Norton Allotments has a trading store building and I think it's council owned - why has this not been considered as a polling station location? Also it appears there's only a few community halls or churches in this area, forcing people to walk further or take a car for transport. Could the Allotment Building be considered for a polling station? If that's not possible, I think it should be considered improving community hall provision for this area of Letchworth so people don't need to walk as far. There are instances where the residents would like to meet in person but we basically have to travel away from where we live to do it and this seems to apply also to the polling station location.</p> <p>Suggested alternatives: Norton Allotments Trading Store</p>
18	Wymondley Parish Council	Online form	Great Wymondley Village Hall H-GW-GTW, H-GW-LTW, H-GW-WTG		<p>There is no polling facility at Little Wymondley, which means the residents from the larger community of Little Wymondley need to vote at Great Wymondley where there is no parking and limited public transport. There needs to be polling facilities in Little Wymondley.</p> <p>Suggested alternative location: Wymondley JMI School or the Baptist Church if either were possible. There is no village hall in Little Wymondley.</p>

Number	Respondent	Method of Response	Polling District(s) / Polling Station(s)	Polling District comment	Polling Station comment
19	Resident of North Herts	Online form	Preston Village Hall H-HWO-PRE		The response to the online form agreed to the majority of statements regarding the suitability of this polling place but disagreed over the suitable provision of disabled parking at the polling place.

Community Governance Review - Baldock



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Purple line - potential changes



Black line – North Hertfordshire district boundary

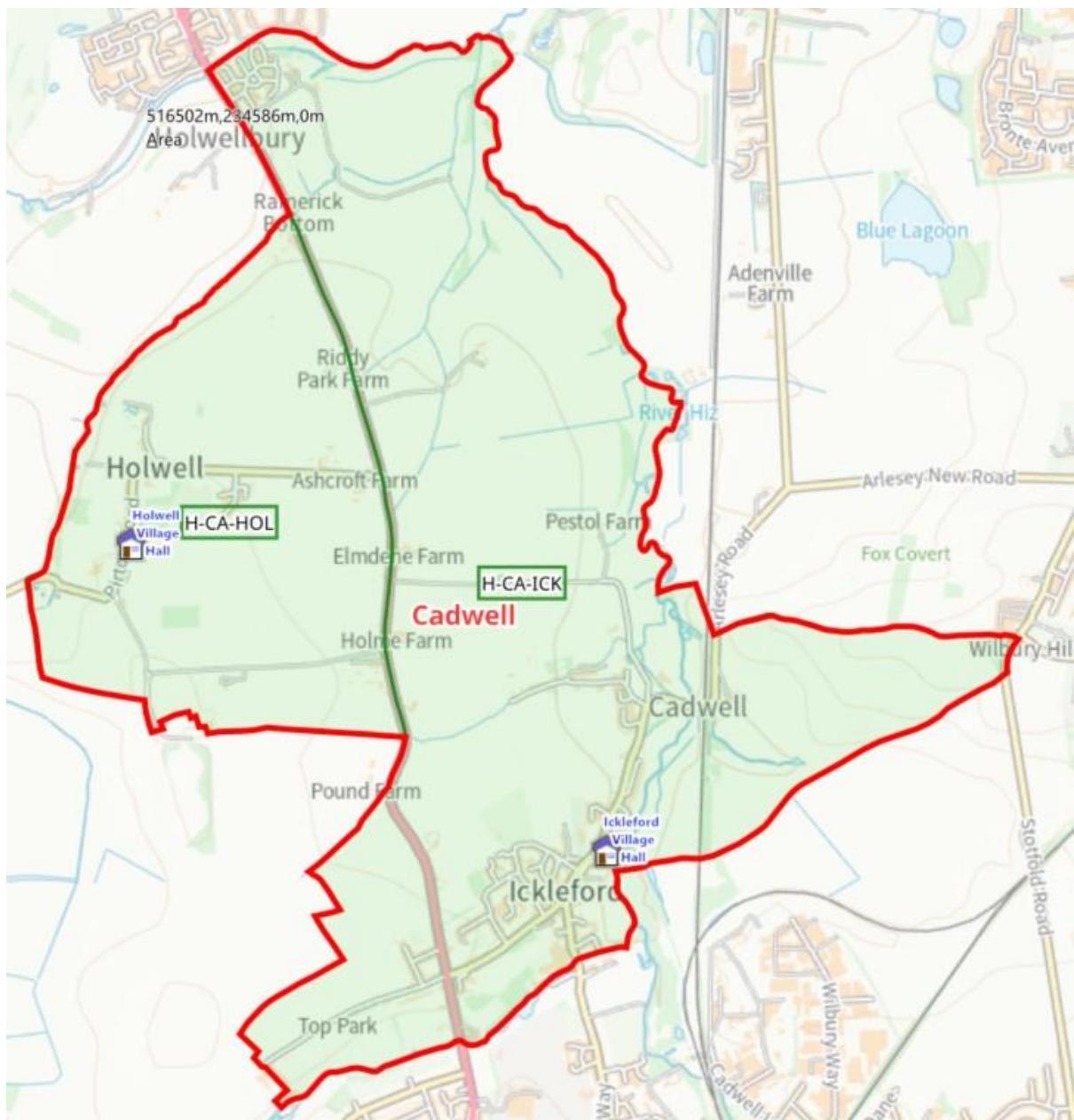


Green line - Polling district boundary

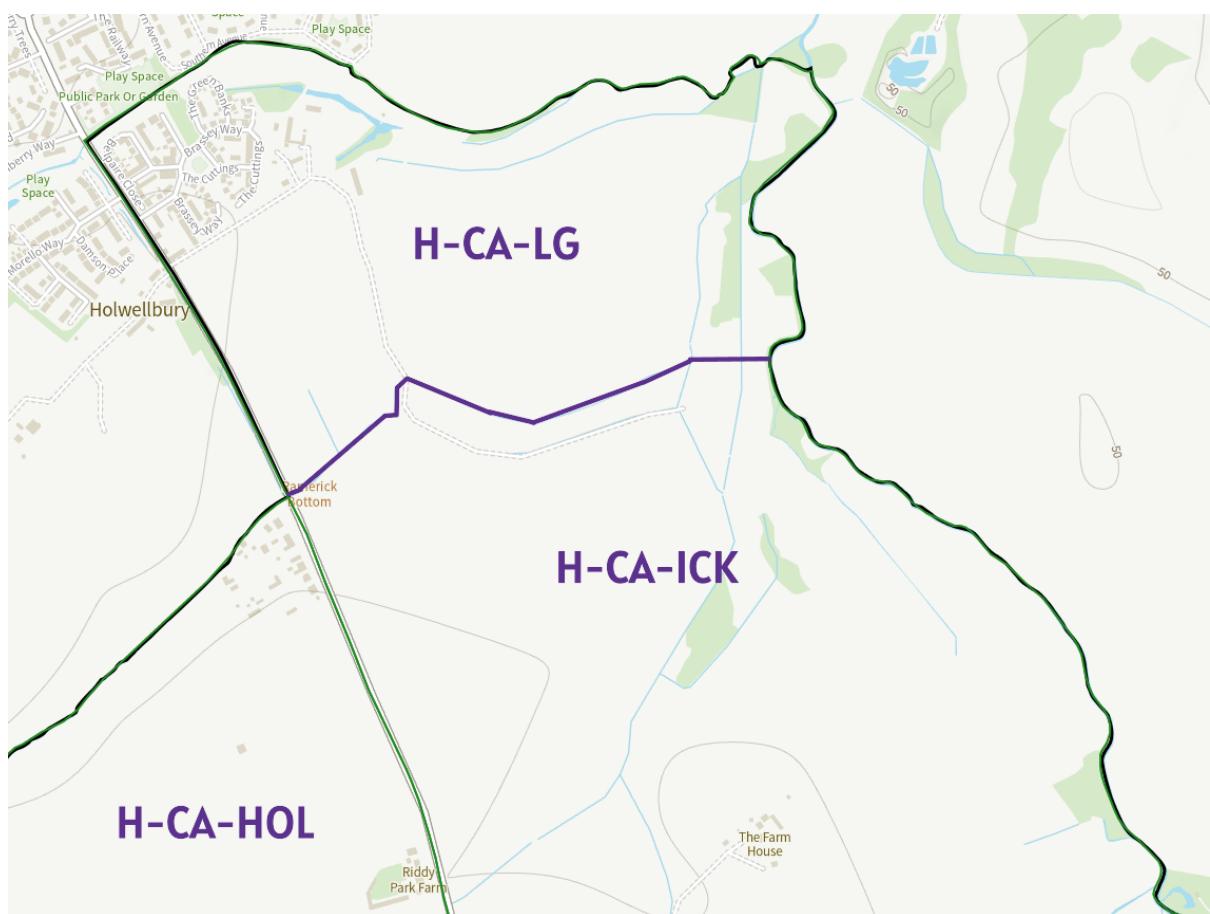


Red line - District ward boundary

Ickleford



Proposed boundary for creation of new polling district for Lavender Grange parish ward:

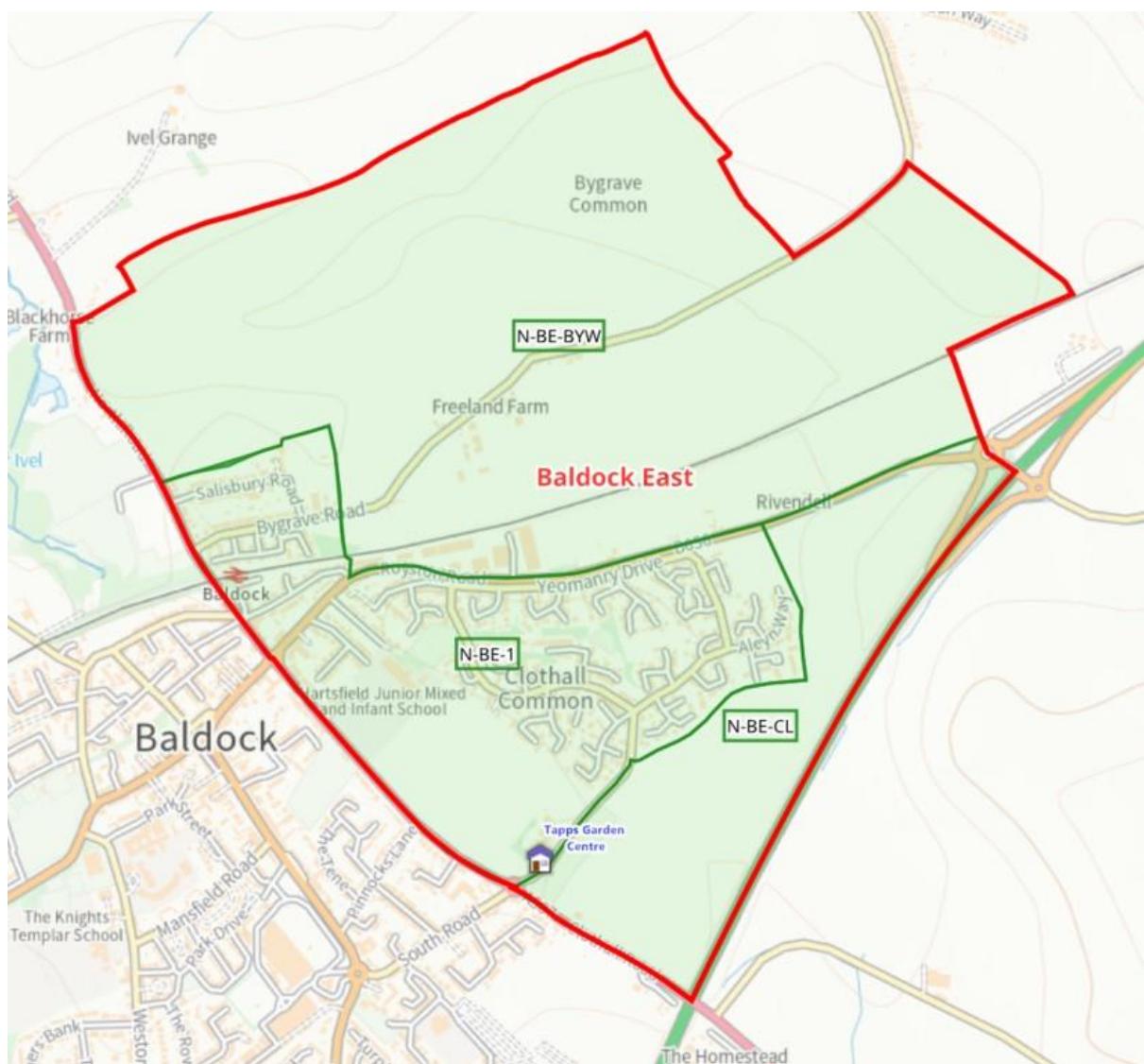


H-CA-HOL – Cadwell (Holwell)

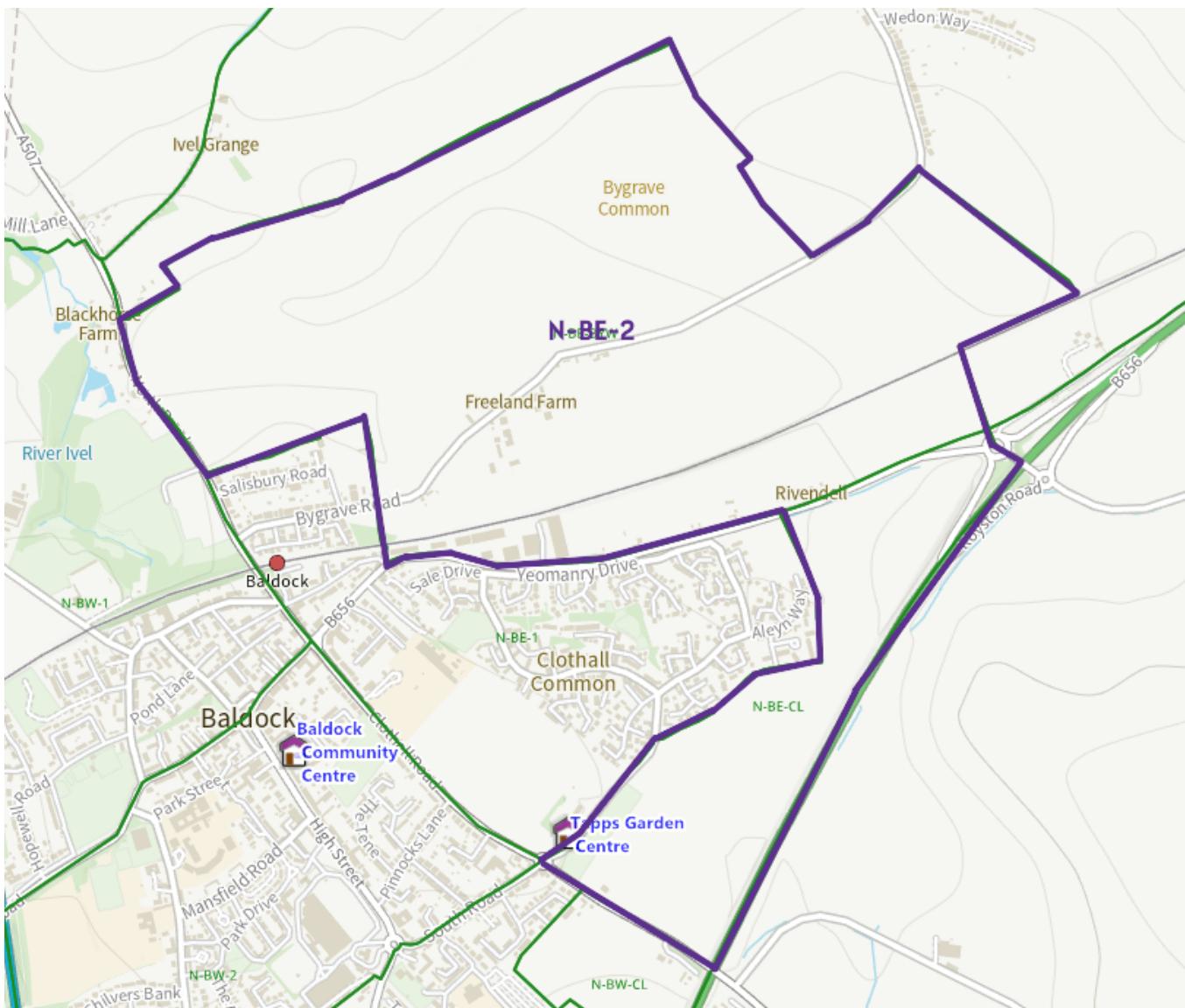
H-CA-ICK – Cadwell (Ickleford)

H-CA-LG – Cadwell (Lavender Grange)

Baldock East

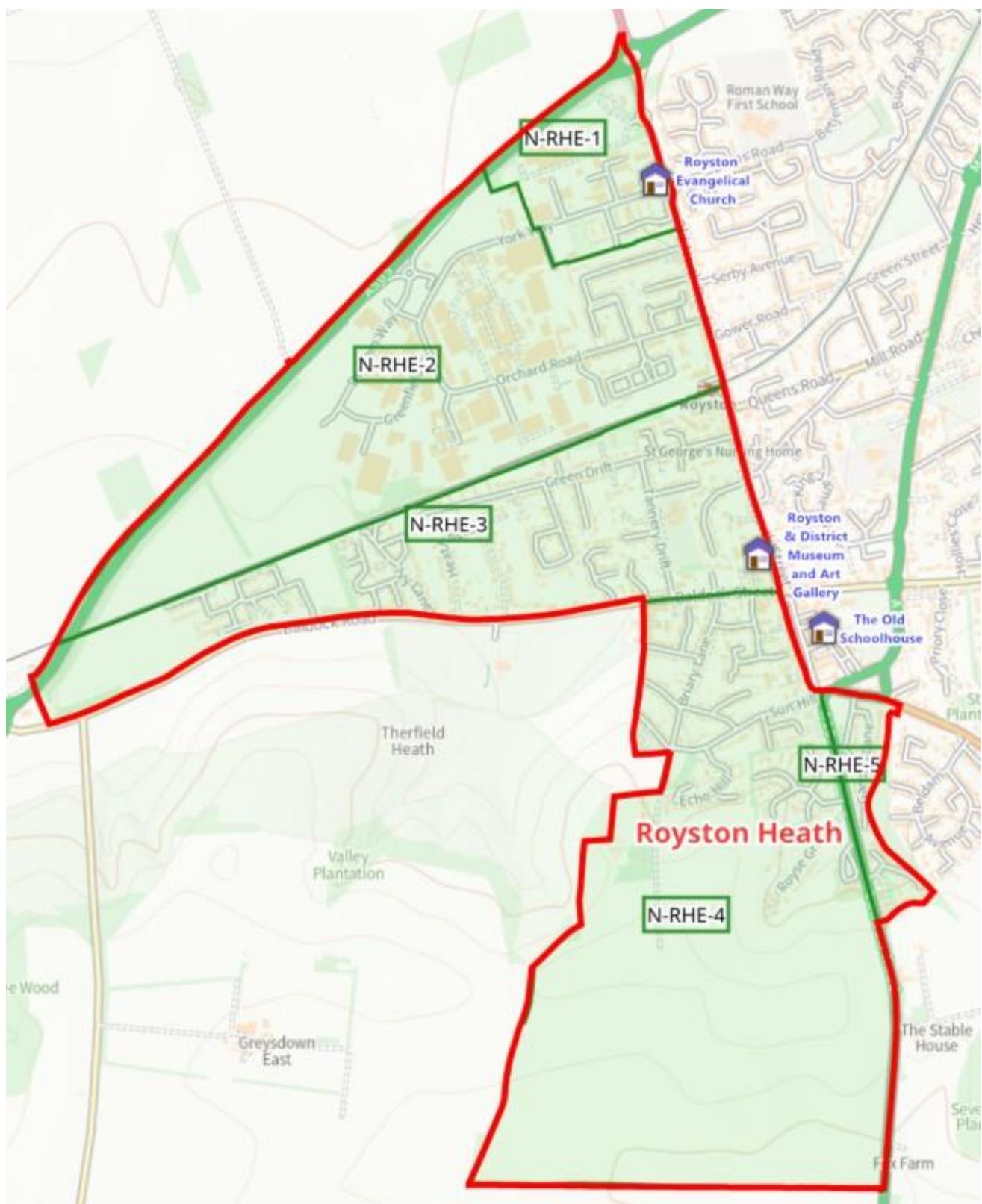


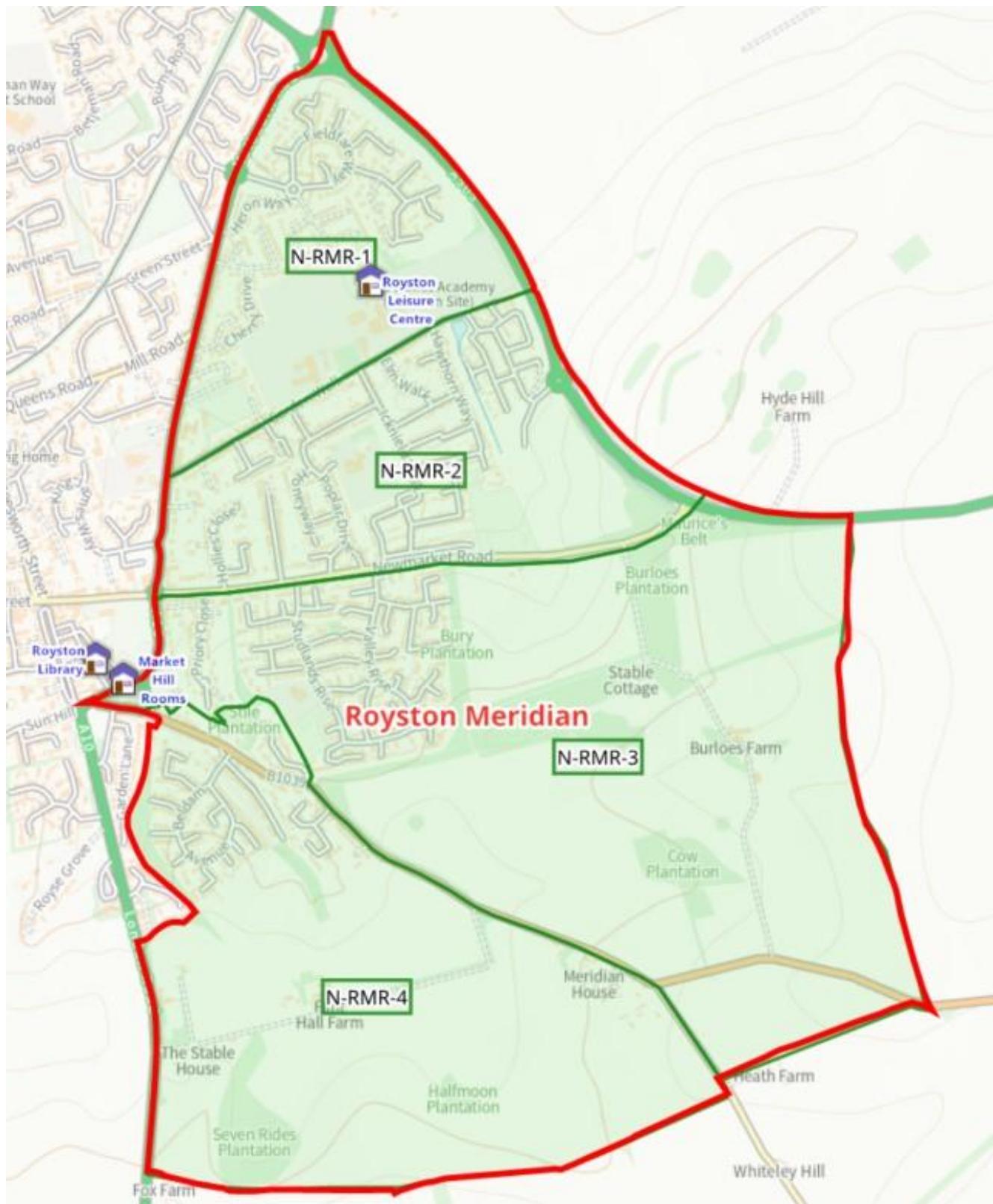
Proposed merger of polling districts within Baldock East:



N-BE-2 – Baldock East 2

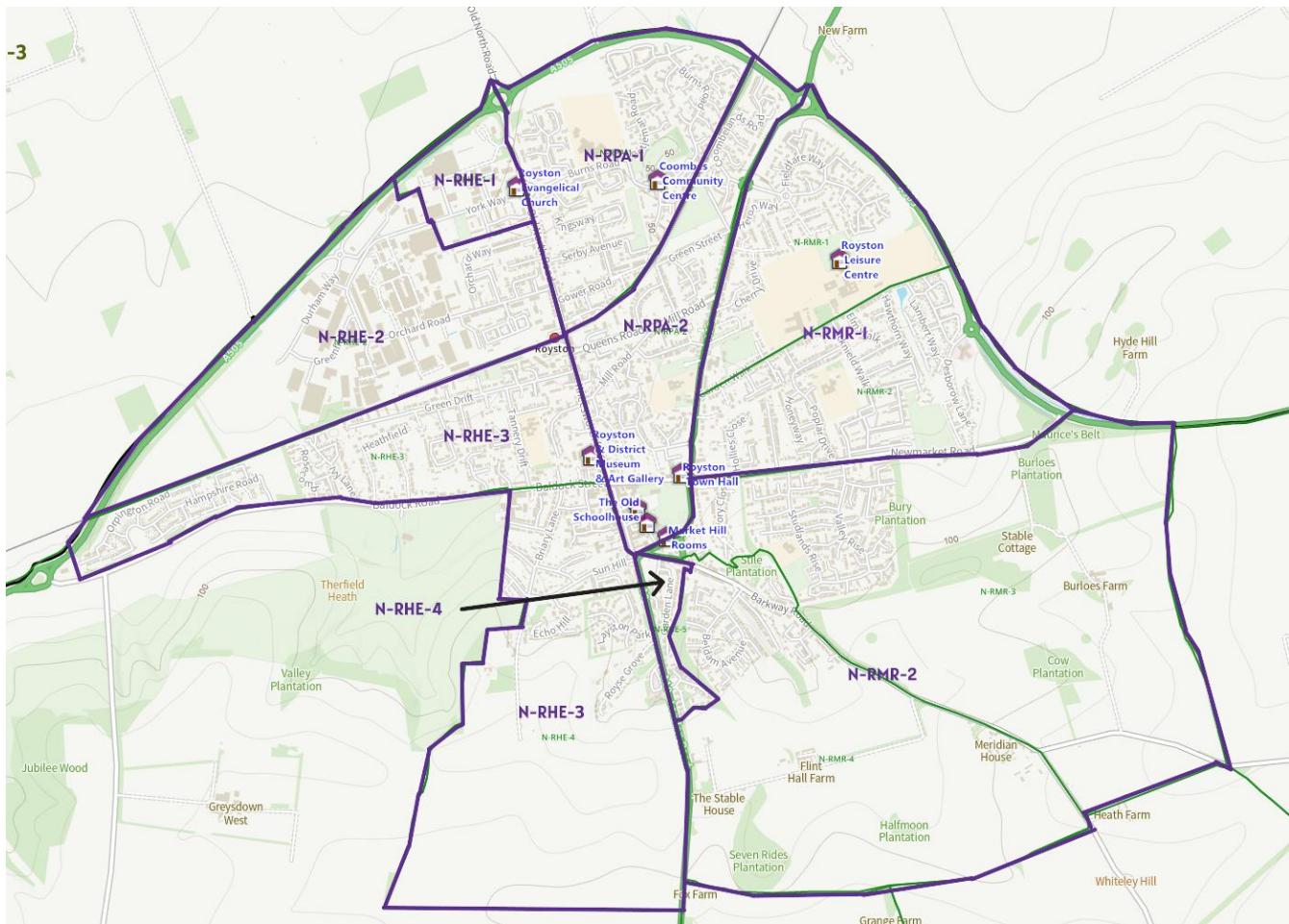
Royston







Proposed changes to the Royston polling districts:



N-RHE-1 – Royston Heath 1

N-RHE-1 – Royston Heath 2

N-RHE-1 – Royston Heath 3

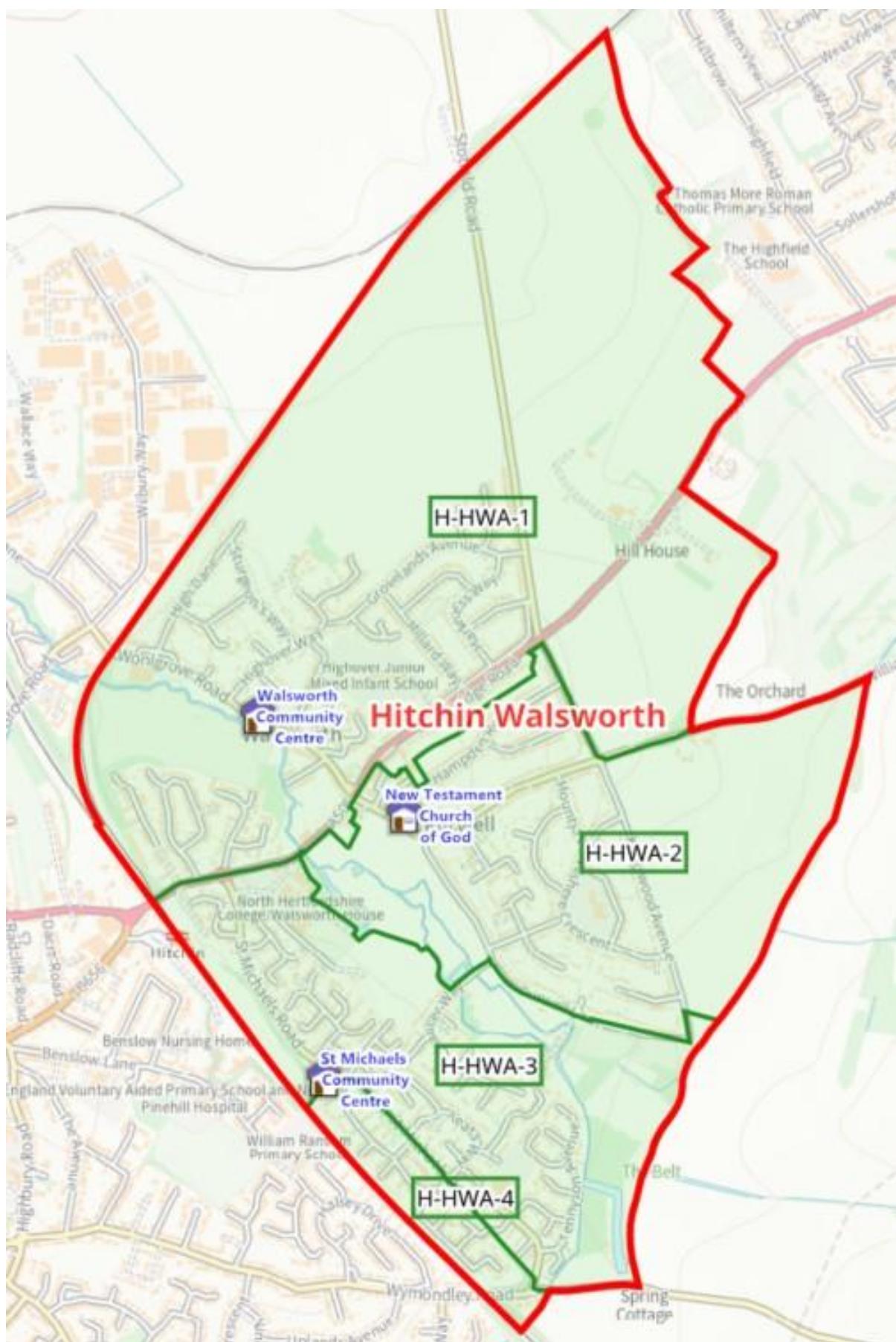
N-RHE-1 – Royston Heath 4

N-RMR-1 – Royston Meridian 1

N-RMR-2 – Royston Meridian 2

N-RPA-1 – Royston Palace 1

N-RPA-2 – Royston Palace 2

Hitchin Walsworth (Billing Place)

Proposed changes to the boundary around Billing Place:



H-HWA-1 – Hitchin Walsworth 1

H-HWA-2 – Hitchin Walsworth 2

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FULL COUNCIL 29 January 2026

PART 1 – PUBLIC DOCUMENT

TITLE OF REPORT: APPOINTMENT OF REPLACEMENT RESERVE INDEPENDENT PERSON

REPORT OF: DIRECTOR GOVERNANCE AND MONITORING OFFICER

EXECUTIVE MEMBER: Cllr Daniel Allen

CHAIR OF STANDARDS COMMITTEE: Cllr Vijaiya Poopalasingham

COUNCIL PRIORITY: SUSTAINABILITY

1. EXECUTIVE SUMMARY

This report seeks approval to appoint a replacement Reserve Independent Person ('Reserve IP') with effect from the 29th January 2026 for a period of up to 4 years (as per the recommendation below), for an initial term of 2 years and optional extension for a further 2 years, following the resignation of Ms Wai Bing Hui from the role of Reserve IP.

2. RECOMMENDATIONS

That Full Council:

2.1. Appoints Joel Rogers as Reserve Independent Person;

such appointments/ confirmation of continuing appointments under 2.1 be for a fixed term of up to 4 years from 29th January 2026, based on 2-years, with delegation to the Monitoring Officer, in consultation with the Chair and Vice Chair of Standards Committee¹ to extend for a further 2-years².

2.2. Delegates to the Monitoring Officer in consultation with the Chair and Vice Chair of Standards Committee³, the decision (if the current Independent Person decides within term to resign/ unable to act/ no longer qualifies), to appoint one of the existing Reserve Independent Persons as the Independent Person and/ or to undertake any further recruitment, as may be required.

3. REASONS FOR RECOMMENDATIONS

3.1 To ensure that the Council's Standards processes can operate in accordance with legislative requirements if one or both Independent Person and Reserve IPs are unable to advise on a matter. This should also allow for a degree of succession planning/ training whilst experienced persons are in place.

¹ or such replacement Committee as the case may be

² Subject to the legal ability to do so/ legislative prohibition to on extension and continuing to qualify as per the legal requirements under the Localism Act 2011.

³ or such replacement Committee as the case may be

4. ALTERNATIVE OPTIONS CONSIDERED

4.1 None considered appropriate.

5. CONSULTATION WITH RELEVANT MEMBERS AND EXTERNAL ORGANISATIONS

5.1. The Chair and Vice Chair of Standards Committee were appraised of the recruitment exercise.

6. FORWARD PLAN

6.1 This report does not contain a recommendation on a key Executive decision and has therefore not been referred to in the Forward Plan.

7. BACKGROUND

7.1. Section 28(7) of the Localism Act 2011 requires Councils to appoint at least one Independent Person for the purposes of processing complaints against Members (albeit that subsequently two are required whether internally/ externally for the constitution of the Employment Panel and for conflict situations in any event under relevant legislation⁴).

7.2. A recruitment exercise and interviews were undertaken during November 2025 to December 2025, with two candidates selected for interview. The candidate set out under 2.1 is recommended by the interview panel for appointment. Following the interview, it was subject to the normal requirements of reference, confirming the recommendation to Group Leaders, and is subject to continuing to meet the necessary legal and special requirements (as set out below). The selection criteria for the role is at Appendix A.

7.3. There are legal exclusions to such appointments, and the application/ appointment is subject to special conditions, namely that candidates (and subsequently appointees) cannot be appointed, or continue in that appointment, as an IP or Reserve IP if they:

Legal conditions

- i) are a Councillor, co-opted Councillor or officer of North Herts Council or a Parish, Town, or Community Councillor within the North Hertfordshire District Council area;
- ii) are related to, or be a close friend of (i) above;
- iii) have been a Councillor or co-opted Councillor or officer of North Herts Council or a Parish, Town, or Community Councillor within the North Hertfordshire District Council area at any time during the last 5 years;

Special conditions

- iv) have any significant business dealings with North Herts Council.
- v) are an active member of a political party;
- vi) *[whilst not a Councillor] fail, following the recommendation to Council to appoint*, to sign an undertaking to comply with the requirements of the North Herts Council's Code of Conduct for Councillors, effective from appointed.

⁴ The Local Authorities (Standing Orders (England) Regulations 2001 as amended 2015.

- vii) *[whilst not a Councillor] fail to disclose Interests within 28 days of the appointment, or update those within 28 days of change of Interest. [NB These are akin to those disclosed by Councillors to the Monitoring Officer];*
- viii) *have within the last 12 months, or are party to: any grievance, complaint, or legal action against the Council, Councillors, or Officers. [NB if appointed there is an ongoing requirement to disclose to the Monitoring Officer if this situation arises].*

8. RELEVANT CONSIDERATIONS

8.1 The Interview Panel concluded that Mr Joel Rogers met the requirements and criteria for the role. In terms of his background and life experience:

Mr Rogers is a published scientific researcher and is currently employed within an academic research environment. His professional work requires him to communicate information accurately, impartially and clearly, both orally and in writing.

Mr Rogers has experience working with sensitive and confidential information, including patient-related material and commercially sensitive information, and is familiar with the need to comply with non-disclosure obligations. He has also been involved in the reporting of student views and grievances within a university setting.

8.2 It is anticipated by the Monitoring Officer, that the candidate's professional background will support a methodical and evidence-focused approach to the Reserve IP role. His experience of handling information carefully, engaging with ethical considerations, and communicating clearly is considered relevant to the functions of the role.

8.3 In terms of involvement in standards matters the Independent Person will be consulted on complaints, prior to an initial assessment, after any investigation and before the Standards Sub-Committee makes a decision on the complaint and any sanctions (if this progresses to that stage). The Independent Person and Reserve IPs will be consulted on other matters, and the Reserve IP can be contacted by an elected Councillor that is subject to a complaint for procedural advice. The Council receives around on average around 20 - 25 formal complaints per year, although on some occasions these have been more than 50, which can place a burden on one Independent Person.

8.4 To assist with training/ knowledge and resilience, and cover in the event of conflict, it is anticipated, therefore, that each Reserve IP will rotate on each complaint, *to support the Independent Person and Monitoring Officer (or Deputy)*. One Reserve IP will act each time as a potential liaison for procedural matters to the Councillor subject to the complaint.

8.5 Note that Joint Negotiation Committee/ Conditions training would also be required (for attendance at the Employment Panel if the need arises).

9. LEGAL IMPLICATIONS

9.1 Section 28(6) of the Localism Act 2011 requires the Council to have in place arrangements under which decisions on allegations against Councillors can be made

and section 28(7) that a Council appoint one or more Independent Persons. There is no specific reference/ or distinction of levels of Independent Person/ Reserve IP.

10. FINANCIAL IMPLICATIONS

10.1 The Independent Persons and Reserve IPs also receive an annual allowance, currently set for April 2025-May 26 as follows:

- Reserve IP of £648 (this covers potentially having to act as the main Independent Person on occasion);
- reimbursement of travel and subsistence expenses and reasonable role related training costs.

Whilst this does not legally fall within the remit of an Independent Remuneration Panel, who consider Councillors allowances, they are requested to review and recommend on such payments. It is expected that these costs can be met from within the existing Councillors' Allowances budget.

11. RISK IMPLICATIONS

11.1 Good Risk Management supports and enhances the decision-making process, increasing the likelihood of the Council meeting its objectives and enabling it to respond quickly and effectively to change. When taking decisions, risks and opportunities must be considered.

11.2 This new appointment would reduce the risk of conflicts of interest, potentially provide for succession planning and greater resilience of approved arrangements.

12. EQUALITIES IMPLICATIONS

12.1. In line with the Public Sector Equality Duty, public bodies must, in the exercise of their functions, give due regard to the need to eliminate discrimination, harassment, victimisation, to advance equality of opportunity and foster good relations between those who share a protected characteristic and those who do not.

12.2 There are, however, no direct implications arising from this report.

13. SOCIAL VALUE IMPLICATIONS

13.1. The Social Value Act and "go local" requirements do not apply to this report.

14. ENVIRONMENTAL IMPLICATIONS

14.1. There are no known Environmental impacts or requirements that apply to this report.

15. HUMAN RESOURCE IMPLICATIONS

15.1 Other than adding the new Reserve IPs to the payroll system and the potential the IP and Reserve IPs role in any Employment Panel, none.

16. APPENDICES

16.1 Appendix A - Selection Criteria.

17. CONTACT OFFICERS

17.1 Isabelle Alajooz, Service Director: Governance, & Monitoring Officer: Isabelle.Alajooz@northherts.gov.uk.

18. BACKGROUND PAPERS

18.1 None.

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APPENDIX A
INDEPENDENT PERSON
SELECTION CRITERIA

SKILLS AND COMPETENCIES

The Independent Person will have:

- a keen interest in standards in public life.
- a wish to serve the local community and uphold local democracy.
- the ability to be objective, independent and impartial.
- sound decision making skills.
- leadership qualities, particularly in respect of exercising sound judgement.

The Independent Person will:

Essential criteria

- be a person in whose impartiality and integrity the public can have confidence.
- understand and comply with confidentiality requirements.
- have a demonstrable interest in local issues.
- have an awareness of the importance of ethical behaviours.
- have a credible and authoritative personal style.
- have strong oral and written communication skills.
- be a local resident of North Hertfordshire.

Desirable additional criteria are:

- working knowledge and/or experience of local government or other public service and/or of large complex organisations
- experience or knowledge of public sector governance.
- awareness of and sensitivity to the political process.
- having an understanding of the pressures and constraints of elected or co-opted Councillors operating in a democratically accountable public body.
- knowledge and understanding of judicial/quasi-judicial or complaints processes.
- experience of managing or advising on misconduct matters (possibly in the context of employment, a professional body or the voluntary sector).

You should demonstrate in your application how you meet the above criteria as this will assist the short-listing process.

Means of assessment will be by application form and interview.

NOTE: It is expected that the appointed Independent Person and "Reserve" will be contactable at all times during normal working hours by telephone or by email and to be available to attend hearings which may have to be convened at relatively short notice.

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COUNCIL

29 January 2026

*PART 1 – PUBLIC DOCUMENT

TITLE OF REPORT: ADOPTION OF UPDATED GUIDANCE TO COUNCILLORS ON OUTSIDE BODIES

REPORT OF: DIRECTOR: GOVERNANCE / MONITORING OFFICER

COUNCIL PRIORITY: RESPONSIBLE GROWTH

1. EXECUTIVE SUMMARY

To provide Members with an updated guidance document on the duties, obligations and liabilities that Councillor's will have if they are appointed to (or are on) an outside body, highlighting the main changes to the previous guidance.

2. RECOMMENDATIONS

It is recommended that

- 2.1. The Full Council approve and adopt the updated guidance for Councillors

3. REASONS FOR RECOMMENDATIONS

- 3.1. The Council's current guidance to Councillors on Outside Bodies was last updated in 2016.
- 3.2. A full review of the guidance to Councillors on outside bodies has been necessary to ensure:
 - Councillors are aware of their liabilities based on the type of organisation which they are appointed to and the risks associated with these appointments both to the Councillor and the Council.
 - That the guidance available to Councillors aligns with the updated statutory position and also best practice.

4. ALTERNATIVE OPTIONS CONSIDERED

- 4.1. None: The previous policy had not been reviewed or updated since June 2016.

5. CONSULTATION WITH RELEVANT MEMBERS AND EXTERNAL ORGANISATIONS

- 5.1. None

6. FORWARD PLAN

6.1 This report does not contain a recommendation on a key Executive decision and has therefore not been referred to in the Forward Plan.

7. BACKGROUND

7.1. Outside bodies are external organisations which have a separate governance structure to the Council. Appointments to outside bodies can be an important mechanism for community leadership, partnership, joint working and knowledge and information sharing.

7.2. Some appointments to outside bodies are made because of a statutory or legal requirement to appoint one or more Councillors to them. In other cases, the constitution of outside bodies requires a Councillor to be appointed and can occasionally require that the Councillor appointed to them must come from the majority political group of the Council. It may also be the position that some outside bodies require representation from wards or are political appointments usually relating to the governmental nature of a body.

7.3. However, most appointments to outside bodies are discretionary, and take into consideration how representation on them adds value in terms of contributing towards the Council's priorities and strategic objectives.

7.4. The benefit of the Council appointing members to outside bodies is that it provides support to the organisation concerned, enables councillors to fulfil their community leadership roles and enables appropriate monitoring of community bodies. Councillors appointed to outside bodies can work with and alongside local community groups, helping to empower them in terms of addressing local issues and delivering sustainable solutions.

7.5. Appointments to outside bodies also enhance Councillors' representative and community leadership roles. Councillor representation also enables positive influence on the effectiveness of an organisation for the benefit of the wider community.

7.6. Different duties and responsibilities will apply depending on the individual Councillor's role on the outside body.

7.7. Councillors appointed to outside bodies need to be clear as to whether their duty is to the Council or to the outside body and will need to identify any potential conflicts of interest and seek advice where this situation presents itself.

7.8. Given the length of time since the review of the guidance, it is fundamental to ensure that the statutory position and references to the legislation remain accurate.

8. RELEVANT CONSIDERATIONS

8.1 In recent years, Local Authorities have pressed the importance of understanding the markets that we are operating in, understanding and managing risks. Whilst the appointment to outside bodies can lead to increased community cohesion some councils have run into difficulties arising out of exposing themselves to significant risk.

- 8.2 Whilst this is not the case across the whole sector, the appointment of Councillors to outside bodies, without fully empowering Councillors to understand the risks in their appointment, could impact the sector's commercial reputation and on the reputation of the individual authority.
- 8.3 It is therefore fundamental that Councillors understand their obligations when appointed to outside bodies particularly around the liabilities they carry as well as the limitation of the Council in indemnifying their actions.

Changes from the previous guidance

- 8.4 It is important to note that there have been no fundamental changes to the approach adopted by the Council and the updates are limited to the explanatory nature, tone and clarity of the document so that it is now easier to read and digest.
- 8.5 In particular, the following points have been expanded and clarified:

General:

The initial part of the guidance has been overhauled in its entirety to reflect clearly:

- the three most common types of outside body,
- the most common types of roles under each of these outside body and
- the corresponding liabilities.

- 8.6 All reference to officer appointments on outside bodies has been removed for brevity and clarity.

Conflicts of Interest:

- 8.7 The conflicts of interest section identifies the need for Councillors to be diligent around identifying potential conflicts opposed to limited themselves to actual conflicts. It also sets out practical examples of when a conflict may arise even though the Council and the outside body have the same overall aims and objectives Councillors cannot assume that their interests will always be the same.

- 8.8 Conflicts of interest may arise if:

- the Council is selling, donating or leasing land to the company.
- the company and the council are negotiating a contract with each other.
- the company is seeking funding from the council.
- there is a dispute between the company and the council.
- the company is tendering or negotiating to provide goods, services or works to the Council.

8.9 It also provides Councillors with the steps that should be taken when a conflict is identified.

Indemnity provisions:

8.10 The guidance now clarifies the position around statutory immunity which is limited to occasions when a Councillor is acting within the course of their role and the occasions that this may be expanded by the Council such as:

- the appointment was approved by the NHDC and/or
- the nomination was made by the Council, and
- the appointment was specifically approved for the purpose of the indemnity.

9. LEGAL IMPLICATIONS

9.1. The Council appoints annually to a wide range of diverse outside bodies. Such appointments may be made under the general power in the Local Government Act 2000 which allows the Council to do anything which is likely to promote the economic, social or environmental wellbeing of the area, unless specifically prohibited.

9.2. Members are under a specific obligation as a result of the 1995 Local Authorities (Companies) Order to report back to Council on their involvement in outside companies to which they have been nominated by the Council.

9.3. The proposals of this report have been taken to Standards in accordance with the governance arrangements of the constitution. Pursuant to Section 7 of the Constitution and in particular paragraph 7.5.10, the Terms of Reference of the Standards Committee will have the following roles and functions:

'to advise the Council upon the contents of and requirements for ethical codes/protocols/other procedures relating to standards of conduct throughout the Council, including existing or new, with remit to adopt or recommend adoption (where in the latter case this is reserved to another decision making body), including annual review of the Whistleblowing Policy and arrangements'

Further Section 4 sets out that only Full Council will be responsible for '*adopting and amending the Authority's Code of Conduct for members and other codes and protocols comprising the ethical framework.*' This guidance falls within the remit of this responsibility.

10. FINANCIAL IMPLICATIONS

10.1 There are no capital or revenue implications arising from this report at this stage.

11. RISK IMPLICATIONS

11.1. Good Risk Management supports and enhances the decision-making process, increasing the likelihood of the Council meeting its objectives and enabling it to respond quickly and effectively to change. When taking decisions, risks and opportunities must be considered.

11.2. Appropriate guidance frameworks help to ensure good governance of the Council and therefore reduce risk of poor practice or unsafe decision making.

12. EQUALITIES IMPLICATIONS

12.1. In line with the Public Sector Equality Duty, public bodies must, in the exercise of their functions, give due regard to the need to eliminate discrimination, harassment, victimisation, to advance equality of opportunity and foster good relations between those who share a protected characteristic and those who do not.

12.2. There are no equalities implications associated with this report.

13. SOCIAL VALUE IMPLICATIONS

13.1. The Social Value Act and “go local” requirements do not apply to this report.

14. ENVIRONMENTAL IMPLICATIONS

14.1. There are no known Environmental impacts or requirements that apply to this report

15. HUMAN RESOURCE IMPLICATIONS

15.1 There will be no impact.

16. APPENDICES

16.1 Appendix A – Updated Guidance to Councillors on Outside Bodies

17. CONTACT OFFICERS

17.1 Isabelle Alajooz: Director of Governance and Monitoring Officer
Isabelle.Alajooz@north-herts.gov.uk.

18. BACKGROUND PAPERS

18.1 None.

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GUIDANCE TO COUNCILLORS ON OUTSIDE BODIES

Introduction:

This guidance is solely intended for the purpose of providing general advice on the duties, obligations and liabilities that you, as a Councillor will have if you are appointed to (or are on) an outside body.

Councillors may be appointed to varying organisations with differing roles. In some instances, Councillors will be bringing their experience, knowledge and expertise flowing from their appointment as a Councillor and in other instances the appointment will be distinct from your Councillor appointment.

The role of Councillors on outside bodies will depend on the nature of the outside body and the capacity in which you are appointed. The appointment may involve acting as a company director, the trustee of a charity or member of an unincorporated body. Each structure and appointment will hold differing levels of responsibility and liability.

In participating in outside bodies, Councillors *may* be expected to not only represent the interests of the Council but will have duties and responsibilities to the outside bodies. However, if the Councillor has been appointed into a decision-making role on the outside body, then they must act in the interests of that body and exercise independent judgment in making decisions in accordance with their duty of care to the body.

In all cases Councillors should: -

- Operate within the rules, and/or constitution of the outside body;
- Report back, *where appropriate*, to the Council or relevant Committee;
- Behave ethically and adhere to the NHDC Code of Conduct ('NHDC Code');
- Take an active and informed role in the affairs of the outside body.
- Note that Councillors are not on an outside body to represent their political party.

Conflicts of interests can often arise when Councillors are appointed to outside bodies and the Councillor is expected to manage these in accordance with this guidance.

This guidance cannot provide a detailed answer for all circumstances and consequently further advice and guidance should be sought from the Council's Monitoring Officer or Deputy Monitoring Officer if required.

1. Types of Organisation:

Councillors may participate in a variety of external organisations either independently or as a representative of the Council.

Some of the most common examples of outside bodies are:

- Companies limited by guarantee/shares
- Charitable Trusts
- Unincorporated association (like a Panel, or Board)

1.1 Companies Limited by Guarantee or Share

Companies have separate legal identities.

They are set up by their members, who may be either shareholders or guarantors. Liability of company members is limited to the value of their shares or by guarantee.

GUIDANCE TO COUNCILLORS ON OUTSIDE BODIES

Directors of companies have a duty to the company to act in good faith to promote the success of the company. If they do not uphold this duty, they can incur personal liability, particularly if the company becomes insolvent.

1.2 Charities

A charity is an organisation which is established for charitable purposes only and is subject to the control of the High Court in the exercise of its jurisdiction with respect to charities.

Some companies and unincorporated associations are established for charitable purposes and are regulated by the Charity Commissioners, to ensure that they are properly managed and are spending their money properly on the charitable objects.

1.3 Unincorporated Associations

Groups, which are neither limited companies nor charitable trusts, may be “unincorporated associations” which have no separate identity from their members.

2. Types of Roles:

When representing the Council on an outside body, Councillors are expected to:

- act in accordance with the constitution and framework set by the outside body;
- make independent and personal judgements in line with their duty of care to the outside body;
- behave ethically and comply with the Council's Code of Conduct for Members (Councillors) or except and insofar as it conflicts with any other lawful obligations to which that outside body may be subject;
- comply with any Code of Conduct or similar arrangements in place relating to the outside body
- take an active and informed role in the management of the outside body's affairs.
- be aware of any potential conflicts of interest that may arise as a result of the appointment and act/seek advice accordingly

There are several different types of roles that a Councillor may be appointed to take up, the most common ones are set out below with some general details of the responsibilities that they each hold:

- Director;
- Trustee;
- Representative/ member
- Observor

3. Duties of a Director:

Directors are effectively agents of the company and therefore owe a number of common law and equitable duties to the company. These duties are set out in the Companies Act 2006 and apply to both Executive and Non-Executive Directors

Directors must:

GUIDANCE TO COUNCILLORS ON OUTSIDE BODIES

- Act within their powers
- Promote the success of the company
- Exercise independent judgement
- Exercise reasonable skill, care and diligence
- Avoid conflicts of interest
- Not accept personal benefits from third parties
- Declare a personal interest in a proposed transaction/arrangement with the company.

3.1 Directors Liability

A Directors fiduciary and general duties are owed to the company therefore third parties will not normally have a cause of action against the Director, unless they act in a way which creates a personal obligation.

Some of the more serious wrongdoings that can expose a Director to personal liability are set out below: -

- Wrongful trading – trading at a time when a company has no reasonable prospect of avoiding insolvent liquidation which can result in personal liability for the debts
- Fraudulent trading - knowingly to carry on the business of a company with intent to defraud creditors or potential creditors
- Exceeding authority
- Director personally guaranteeing performance
- Acting as a director whilst disqualified
- Failing to maintain company records

4. Duties of a Charitable Trustee

Those who are responsible for the control and administration of a charity are referred to as Trustees.

It is important to highlight that companies limited by guarantee often have Directors who may be referred to as Trustees, particularly in charitable contexts, the terms are not interchangeable: A company limited by guarantee is a legal structure and the Directors are legally responsible for the company's management. Their powers are defined in the company's articles of association, while Trusteeship is a specific fiduciary role.

In situations where an organisation is a charitable company, then a Trustee will also be bound to act in accordance with the principles above as well as those set out below. There is an overlap of Trustee duties and those of a Director.

As a Trustee of a charity, you have a duty to act in the best interests of the charity and can be personally liable if you breach that duty.

General duties of a Trustee are:

- Fiduciary (loyalty to the Trust and a duty of care to act in its best interests, having regard to the interests of the beneficiaries, employees and creditors this applies to all types of Trustees).
- To promote the charity's purposes
- Acting for the benefit of the public
- Undivided loyalty to the beneficiaries of the charity
- Act in good faith
- Act within the powers of the Charity
- Prudence

GUIDANCE TO COUNCILLORS ON OUTSIDE BODIES

- Acting collectively

In addition to the above, a Trustee must ensure (if the charity is registered) that the information relating to the Trust and Trustees is registered with the Charity Commissioners and that the annual accounts and return are completed/filed.

4.1 Liability of Trustees

A charitable trust is not a separate legal entity therefore personal liability may be incurred if a Trustee:

- Acts outside the scope of the trust deed
- Falls below the required standard of care
- Makes a personal profit from the trust assets

5. Non-corporate/ unincorporated associations

An unincorporated association is simply described as a group of two or more individuals who come together for a common purpose. They are not separate legal entities, meaning the members, not the association or organisation, are legally responsible for its actions and debts.

The rules governing the Councillor's duties and liabilities will (or should) be set out in the organisation's constitution, which is simply an agreement between members as to how the organisation will operate.

Usually, the organisation's constitution will provide for a management committee to be responsible for the everyday running of the organisation.

Management committee members must act within the organisation's governing documents and the committee Terms of Reference and must take reasonable care when exercising their powers.

5.1 Liability of being a member of the non-corporate/un-incorporated associations:

There is an increased risk from the absence of a "corporate veil" of unincorporated associations.

A Councillor may, as a member of the association, be personally liable for claims against the unincorporated organisation if it has insufficient assets to meet any legal responsibility or debts.

6. Conflicts of Interest:

Conflicts of interest may arise between the Council and an outside body.

Even though the Council and the outside body have the same overall aims and objectives Councillors cannot assume that their interests will always be the same.

Conflicts of interest may arise if:

- the council is selling, donating or leasing land to the company.
- the company and the council are negotiating a contract with each other.
- the company is seeking funding from the council.
- there is a dispute between the company and the council.

GUIDANCE TO COUNCILLORS ON OUTSIDE BODIES

- the company is tendering or negotiating to provide goods, services or works to the council.

Success of company/charity:

The Trustee/Director must consider what would **promote, the success of the company or the purpose of the charity** and have regard to the likely consequences of any decision in the long term.

If the Councillor believes they are unable to do this without compromising their role as a Councillor and the interests of the residents of the district then serious consideration should be given to resigning the post.

Duty to Avoid:

There is a legal duty for Directors to avoid conflicts of interest.

There may be actual or potential conflicts between the interests of the Council and the interests of the company. In such circumstances it would be inappropriate for the Councillor to take part in discussions upon such topics both as a Councillor and as a Director. If the conflict is a serious one or repeatedly presents itself then it may be appropriate for the Councillor to resign as a Director of the company.

If the Councillor has an interest in the proposed transactions, a declaration must be made of the nature and extent of such an interest. This may cover both the Councillor's own interests as well as those of the Council. Whether the Councillor is allowed to participate in the latter case will depend on the company's governance documents.

Confidentiality:

Some outside bodies may require the Councillor to treat the body's business as confidential. This may sometimes create a dilemma for the Councillor and may seem contrary to the idea of assisting public accountability. However, Councillors will have to bear this confidentiality requirement in mind and consider the alignment with the duties to the Council and its residents.

Actions:

If Councillors are uncertain whether a conflict of interest exists they should seek advice from the Monitoring Officer as soon as possible and also:

- Notify the company's board of directors,
- Take no further part in the matter on behalf of the company
- Consider the impact of this interest on any decisions you may be involved in at the Council

7. Relationship between Code of Conduct and the Appointment to the body

This Guidance should be read in conjunction with the NHDC's Code of Conduct for Members ([Section 17](#) of the Constitution). Councillors will be expected to comply with any code for the outside body when sitting on an outside body.

Councillors should ensure that they comply fully with their obligations to disclose interests where they are sitting as Directors or Trustees.

If Councillors are appointed to (or on) outside bodies and *this is not deemed a Pecuniary Interest*, then under the NHDC's Code it is likely to be a Declarable Interest. Therefore, if a relevant item of business comes to the Council – serious consideration has to be given

GUIDANCE TO COUNCILLORS ON OUTSIDE BODIES

as to whether a Councillor can participate in that meeting and if unsure should seek advice before the meeting.

8. Immunity, Insurance and Indemnity:

8.1 Where a Councillors acts within the course of their duties and in good faith, they have statutory immunity against personal liability.

However statutory immunity **does not** apply where a Councillor acts on an outside body. In most circumstances, the corporate veil means that a company can fail, owing creditors large sums of money, **without** affecting the Directors. However, in certain circumstances, Directors are held responsible for a company's liabilities.

8.2 NHDC **may** therefore provide an indemnity where Councillors are acting on an outside body, provided that:

- the appointment was approved by the NHDC and/or
- the nomination was made by the Council, and
- the appointment was specifically approved for the purpose of the indemnity.

The indemnity afforded by NHDC is subject to limitations however in general terms it reflects the statutory immunity protection therefore when a Councillor is acting properly, within their powers and in good faith, the power to indemnify will usually apply.

Regardless of any immunity, indemnity or insurance, Councillors may still incur personal liability or have to defend themselves where allegations are made that:

- They acted outside the powers of the authority
- They acted in bad faith, fraudulently or out of malice
- Their actions constitute a criminal offence
- They made a defamatory statement

In cases where Councillors act as a Director or Trustee specifically in connection with the business of the outside body, then they will be regarded as serving the particular body rather than the Council and it is the expectation of NHDC that the outside body should insure / and or agree to indemnify the Councillor.

9. Administration and Contact Details for Councillors:

9.1. Committee Services are leading on the administration and record keeping relating to Members nominated to Outside Bodies.

9.2. Committee Services will be in contact annually near the end of each Civic Year to receive your Report for recording on the Outside Bodies Information Sheet.

9.3. If further advice is required, please contact the Monitoring Officer on monitoring.officer@north-herts.gov.uk

COUNCIL

29 January 2026

*PART 1 – PUBLIC DOCUMENT

TITLE OF REPORT: ADOPTION OF THE MONITORING OFFICER PROTOCOL

REPORT OF: DIRECTOR: GOVERNANCE / MONITORING OFFICER

COUNCIL PRIORITY: RESPONSIBLE GROWTH

1. EXECUTIVE SUMMARY

To provide Members with a proposed Monitoring Officer protocol and to note the recent guidance document on the Golden Triangle.

The role of the Monitoring Officer is a significant one and it is important that there is full understanding of the rights, obligations and purposes of the role.

The emphasis on good governance has been heightened in recent years as an increased number of authorities find themselves in financial difficulties. To this end a commitment to integrity, transparency, and ethical conduct in all public administration and decision-making processes has taken centre stage.

The three statutory officers (Monitoring Officer, Chief Finance Officer and Head of Paid Service) who collectively form the 'golden triangle' should model behaviours consistent with good governance. It is essential that the occupants of these core roles work closely together to ensure that the Council operates effectively.

The combination of a Monitoring Officer protocol supported by the recent publication of the 'The Golden Triangle: Governance Roles and Responsibilities' (attached at Appendix 2) amplifies the commitment of the Council to the highest levels of ethical standards, in turn further enhancing the governance framework within which all work is undertaken.

2. RECOMMENDATIONS

It is recommended that:

- 2.1. Full Council approve and adopt the Monitoring Officer Protocol into the Constitution.
- 2.2. Note the guidance attached at Appendix 2 titled: The Golden Triangle: Governance Roles and Responsibilities.

3. REASONS FOR RECOMMENDATIONS

- 3.1** The role of the Monitoring Officer has expanded over recent years. Monitoring Officers are also required to act as consultants to anyone within the Council on matters of legality, maladministration, and impropriety.
- 3.2** It is therefore considered that it would be good practice for the Council to introduce an appropriate Protocol.
- 3.3** In August 2025, Lawyers in Local Government (LLG), the Chartered Institute for Public Finance & Accountancy (CIPFA) and the Society for Local Authority Chief Executives & Senior Managers (SOLACE) collaborated to produce a new guide: 'The Golden Triangle: Governance Roles and Responsibilities' (attached at Appendix 2). Members are invited to give consideration to this guidance to enhance their overall understanding of the interwoven nature of the roles of the three statutory officers within the Council.

4. ALTERNATIVE OPTIONS CONSIDERED

None – There is no extant Monitoring Officer protocol

5. CONSULTATION WITH RELEVANT MEMBERS AND EXTERNAL ORGANISATIONS

None

6. FORWARD PLAN

- 6.1** This report does not contain a recommendation on a key Executive decision and has therefore not been referred to in the Forward Plan.

7. BACKGROUND

- 7.1** The Council's constitutional documents comprise various codes and protocols which govern the conduct of Officers and Members in carrying out their duties.
- 7.2** It is considered beneficial to have in place arrangements to ensure that the statutory officer post of Monitoring Officer can carry out their responsibilities with the support of Members and Officers. These arrangements, in the way of a Protocol should be adopted into the Constitution to ensure transparency on the role and also evidence the commitment of the Council to supporting the delivery of this statutory appointment.

8. RELEVANT CONSIDERATIONS

- 8.1** The Local Government and Housing Act 1989 (The Act) introduced the requirement upon local authorities to appoint an officer to discharge the functions of Monitoring Officer. The primary function is to advise the Council on its legal responsibilities and constitutional framework and ensure compliance with all legal obligations.
- 8.2** The legislation which established the Monitoring Officer function also places a duty upon the officer to prepare a report when it appears to the officer that a proposal, act or omission of the Council (including by any individual or committee) has given, is likely to give or would give rise to a contravention of any enactment or rule of law or give rise to maladministration.

- 8.3 The Council has never adopted formal procedures for the discharge of this function. This may reflect the fact that, for the most part, risks of unlawfulness by the Council are addressed through the day-to-day work of the Council's officers and advisers, overseen by the Monitoring Officer.
- 8.4 Where an act or omission does lead to the Council being found to have acted in breach of its obligations this will be reported to members in some form but there is no current procedure within the Council to cover the requirements of s.5 of The Act.
- 8.5 The Protocol attached at Appendix 1 seeks to explain how the three statutory officers work together to ensure the Council's business is carried out in a lawful and compliant way, with specific reference to the duty held by the Monitoring Officer.
- 8.6 The statutory responsibility of the Council's Monitoring Officer is found under s.5 and s.5A of the Act and its application to the responsibilities. The protocol explains a) this legal requirement, b) sets out the arrangements in place to manage the risk of unlawfulness or maladministration by the Council c) sets out a procedure by which the Monitoring Officer discharges the responsibility in consultation with the other statutory officers and with particular reference to the preparation of reports to members.
- 8.7 There are two statutory provisions – s.5 of The Act covers the actions of the full Council and any non-executive committee and s.5A of The Act covers all Executive actions, by officers or members.
- 8.8 The protocol explains the considerations and actions to address any concerns about possible unlawfulness or maladministration and how the Monitoring Officer may act to avoid the need to prepare a formal report. It also covers the procedures that will apply should a report be needed.
- 8.9 It is not proposed that every occasion of unlawfulness or potential breach will lead to a report.
- 8.10 There are various arrangements in place for risks or incidents of legal breach or maladministration to be reported to members, including the publication of reports from the Local Government and Social Care Ombudsman and the complaints and whistleblowing reports referred to the Standards Committee. It is not proposed that those arrangements be changed

The New Guidance: Golden Triangle: Governance Roles and Responsibilities

- 8.11 During the last few years there has been an increased focus on the roles of the three statutory officers in ensuring propriety and lawfulness of Councils in challenging times. This led to the preparation of a Code of Practice, published in July 2024, by the three relevant professional bodies CIPFA, SOLACE and LLG.
- 8.12 Since publication of the Code of Practice, the same three professional bodies have produced an additional guidance document, attached as Appendix 2.
- 8.13 This short guidance provides a concise, structured, and clear outline of the three 'Golden Triangle' officer roles. The intention is that this guidance will help maximise transparency, clarity, and understanding around professional duties.

8.14 Members are invited to give particular consideration to the general overview which sets out the joint collaborative responsibilities, these are set out below and are at the heart of effective leadership in these roles:

- Lead Ethically
- Act Wisely
- Act Effectively
- Understand Governance
- Build Resilience
- Delivery Sound decision making
- Resource the role

8.15 These responsibilities collectively highlight the guiding principle that exceptional governance is qualitatively developed when the above features emanate from the leadership of the Council. The output is that of galvanised public confidence in the ability of the Council to deliver for the residents of the District.

9. LEGAL IMPLICATIONS

9.1. The main body of this report contains the specific legal implications. In addition, this Protocol has been produced in light of the provisions of the Localism Act 2011 and associated regulations and will be kept under review and amended where necessary.

9.2. The proposals of this report have been taken to Standards in accordance with the governance arrangements of the Constitution Pursuant to Section 7 of the Constitution and in particular paragraph 7.5.10, the Terms of Reference of the Standards Committee will have the following roles and functions:

'to advise the Council upon the contents of and requirements for ethical codes/protocols/other procedures relating to standards of conduct throughout the Council, including existing or new, with remit to adopt or recommend adoption (where in the latter case this is reserved to another decision making body), including annual review of the Whistleblowing Policy and arrangements'

Further Section 4 sets out that only Full Council will be responsible for '*adopting and amending the Authority's Code of Conduct for members and other codes and protocols comprising the ethical framework.*' This guidance falls within the remit of this responsibility.

10. FINANCIAL IMPLICATIONS

10.1 There are no capital or revenue implications arising from this report at this stage.

11. RISK IMPLICATIONS

11.1. Good Risk Management supports and enhances the decision-making process, increasing the likelihood of the Council meeting its objectives and enabling it to respond quickly and effectively to change. When taking decisions, risks and opportunities must be considered.

11.2. Appropriate guidance frameworks help to ensure good governance of the Council and therefore reduce risk of poor practice or unsafe decision making.

12. EQUALITIES IMPLICATIONS

12.1. In line with the Public Sector Equality Duty, public bodies must, in the exercise of their functions, give due regard to the need to eliminate discrimination, harassment, victimisation, to advance equality of opportunity and foster good relations between those who share a protected characteristic and those who do not.

12.2. There are no equalities implications associated with this report.

13. SOCIAL VALUE IMPLICATIONS

13.1. The Social Value Act and “go local” requirements do not apply to this report.

14. ENVIRONMENTAL IMPLICATIONS

14.1. There are no known Environmental impacts or requirements that apply to this report

15. HUMAN RESOURCE IMPLICATIONS

15.1 There will be no impact.

16. APPENDICES

16.1 Appendix 1 – Monitoring Officer Protocol

Appendix 2 - The Golden Triangle: Governance Roles and Responsibilities

17. CONTACT OFFICERS

17.1 Isabelle Alajooz: Director of Governance and Monitoring Officer

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18. BACKGROUND PAPERS

18.1 none

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MONITORING OFFICER ROLE AND FUNCTIONS PROTOCOL

1. Introduction

This protocol has been produced as a guideline for the benefit of Members and Senior Officers on the role of the Monitoring Officer and the arrangement for ensuring this role is carried out effectively.

The Monitoring Officer is a statutory appointment pursuant to section 5 of the Local Government and Housing Act 1989 and aims to promote and maintain high standards of conduct under the Localism Act 2011

This protocol is based on the understanding that the ability of the Monitoring Officer to undertake their role and effectively rests on:

- developing and maintaining effective working relations with colleagues and Members;
- the flow of relevant information and access to debate (particularly at the early stages of any decision-making by the Council);
- the culture of the Council that enables the Monitoring Officer to speak truth to power.

The Monitoring Officer and the Council must have systems and procedures in place that will bring to the function's attention any situations where issues of; illegality, maladministration or impropriety may arise.

The Monitoring Officer will provide appropriate and, if necessary, firm advice to Members to protect and safeguard, so far as is possible, Members and Officers, whilst acting in their official capacities, from legal difficulties and/or criminal sanctions.

For the purposes of this Protocol, the term 'Monitoring Officer' includes: any person nominated by the Monitoring Officer as a Deputy Monitoring Officer for the purposes of Section 5(7) of the Local Government and Housing Act 1989; and any person nominated under the provisions of Section 82A(2) or (3) of that Act to perform any function.

2. Functions and Responsibilities

The specific functions of the Council's Monitoring Officer are detailed in the Constitution.

The chief responsibilities include: -

- (a) a duty to report under Section 5 Local Government and Housing Act 1989 to the Council in any case where the Monitoring Officer is of the opinion that any proposal or decision is or is likely to be illegal, improper or to constitute maladministration. These matters are referred to in this Protocol as "reportable incidents" and include things such as breaches of the constitution or failure to follow a statutory/consultation process. However the power is broad enough to capture any behaviour which looks to breach the fairness of Council decision making.
- (b) ensuring that the Council acts in accordance within the legislative framework when undertaking its functions;
- (b) ensuring compliance with any relevant Codes of Conduct, best practice and government guidance;
- (c) upholding the public law principles of; legality, fairness, participation, accountability, consistency, rationality, proportionality and impartiality.
- (d) Not taking action that would bring the Council, their offices or professions into disrepute.
- (e) referring relevant matters to the Standards Committee in accordance with the Members' Code of Conduct as set out in Part 17 of the Council's Constitution.
- (f) preparing reports for, and advising at meetings of the Standards Committee;
- (g) giving informal advice to Members in relation to informal resolution of a complaint;
- (h) preparing any training programme for Members on ethical standards and Code of Conduct issues;
- (i) establish, maintain and publish the statutory register of Members' interests;
- (j) referring any written requests for dispensations from Members and Co-opted Members

3. Discharge of Functions

In order to ensure the effective discharge of the above duties, the Monitoring Officer will:-

- (a) amplify the 'Golden Triangle' relationship by working closely with the Chief Executive and Director of Resources (S.151Officer) in order to review current and likely future issues with legal, constitutional, or ethical implications;
- (b) maintain harmonious working relations with; Internal and External Auditors; the Local Government and Social Care Ombudsman and the Housing Ombudsman Service.
- (c) ensure that the Council is kept abreast of new legislation and changes in the law which are relevant to the carrying out of the Council's activities.

3.1 Senior Management Group (SMG) responsibilities:

SMG are fundamental in enabling the Monitoring Officer to be able to fulfil their statutory responsibilities to the highest standard and will ensure that:-

- (a) The Monitoring Officer is consulted at an early stage on new policy proposals and on matters which have potentially significant legal implications;
- (b) Ensure that all draft reports to the Council and Committees are as a matter of routine approved by the Monitoring Officer who should also be made aware of any headline issues;
- (c) The Monitoring Officer is informed of all emerging issues of concern of a legal, ethical, or constitutional nature. Similarly, Members should ensure that the Monitoring Officer is consulted in respect of new policy/regulatory proposals.

3.2 Reportable Incidents:

The Monitoring Officer will evaluate whether a reportable incident has triggered their statutory duty to act as set out below:

- (a) The Monitoring Officer will seek to resolve potential reportable incidents by avoiding the illegality, or by identifying alternative and legitimate means of achieving the objective of the proposal.

The Monitoring Officer will only need to make a public report on the matter if the proposal were to be a potential reportable incident and the Officer or Member subsequently took any action to progress that proposal despite being advised to the contrary by the Monitoring Officer.

- (b) Where the Monitoring Officer receives a complaint of a potential reportable incident, s/he must in appropriate cases seek to resolve the matter amicably, by securing that any illegality or failure of process is rectified. However, it is recognised that the Monitoring Officer may decide that the matter is of such importance that a statutory report is the only appropriate response.
- (c) In appropriate cases, and to secure the rapid resolution of a potential reportable incident or avoid a separate statutory report, the Monitoring Officer will be entitled to add their written advice to the report of any other Council officer.
- (d) The Monitoring Officer retains the right to make a statutory report where, after consultation with the Chief Executive and the Director of Resources (Section 151 Officer), that such is necessary to respond properly to a reportable incident.

3.3 Working Arrangements:

The Monitoring Officer will remain front and centre of all decision making of the Council and therefore maintains the right to:

- (a) See all documents and information held by or on behalf of the Council, including documents and information held by any Council officer or Member; However, this right does not extend to documents and information held by or on behalf of any political party represented on the Council.
- (b) Require any Council officer or Member, or any contractor to provide an explanation of any matter under any investigation;
- (c) Report to the Council, and its Committees, including a right to present a written report;
- (d) Notify the Police, the Council's Internal and External Auditors, and other regulatory agencies of any issue of risk and concern and to provide them with information and documents to assist them with their statutory

functions, after consultation with the Chief Executive and the Director of Resources;

(f) Obtain, at the Council's expense, legal advice, either internally or from an independent external solicitor, barrister, or forensic consultant, on any matter which it is believed to be a reportable incident.

4.Resources:

The Monitoring Officer shall report to the Council, as necessary on the staff, accommodation and resources she requires to discharge her statutory functions;

- (a) have sufficient resources to enable them to address any matters concerning her Monitoring Officer functions;
- (b) have control of a budget sufficient to enable them to seek Counsel's opinion on any matter concerning their functions.
- (c) appoint a deputy(ies) and keep them briefed on any relevant issues that they may be required to deal with in the absence of the Monitoring Officer;

5. Conflicts

Where the Monitoring Officer is in receipt of a complaint or is aware of a potential 'reportable incident' they must:

- (a) consult the statutory officers who may then either refer the matter to a Deputy Monitoring Officer for investigation and to report back to the Chief Executive or
- (b) request a neighbouring authority to make their Monitoring Officer available to the Council to investigate the matter and report to the Chief Executive and other statutory officers and/or the Council as appropriate. Examples of when this may be appropriate can be found in paragraph 3.2 of the 'Complaints Handling Procedure for matters relating to the Councillors' Code of Conduct'.

6. Insurance and indemnity arrangements

Financial Services will ensure adequate insurance and indemnity arrangements are in place for the same to protect and safeguard the

interests of the Council, and the proper discharge of the Monitoring Officer role.

7 Sanctions for breach of the Council's Codes of Conduct and this Protocol

Complaints about any breach of this Protocol by a Member will be referred to the Standards Committee and to the relevant Leader of the Political Group.

Complaints about any breach of this Protocol by an Officer will be referred to the relevant Director and/or the Chief Executive.

8. Parish Councils

This protocol is in respect of the Council **only** and not in respect of Parish Councils.

The Monitoring Officer has no powers to deal with issues of maladministration or lawfulness on the part of the Parish Councils nor in terms of the Constitution/Standing Orders of the Parish Council

Where a complainant considers that the complaint has not been satisfactorily dealt with, the matter must be referred back to the Parish Clerk via their formal complaints process (where they do not publish one you should make enquiries of their Clerk and/or their Chairperson).

The Monitoring Officer will provide assistance to Parish clerks over standards issues; however the principal source of advice on such matters to should emanate from the Clerk

The Monitoring Officer is responsible for dealing and receiving complaints against Parish Councillors alleging breaches of a code of conduct however it will not always be an appropriate or necessary use of public resources for the Monitoring Officer to conduct an investigation.

SUMMARY OF MONITORING OFFICER FUNCTIONS

1	Report on contraventions or likely contraventions of any enactment or rule of law.	Section 5 Local Government and Housing Act 1989.
2	Report of any maladministration or injustice where Ombudsman has carried out an investigation.	Section 5 Local Government and Housing Act 1989.
3	Appointment of Deputy.	Section 5 Local Government and Housing Act 1989.
4	Report on resources.	Section 5 Local Government and Housing Act 1989.
5	Receive copies of whistleblowing allegations of misconduct.	Code of Conduct. Public Interest Disclosure

		(Whistleblowing) Protocol.
6	Investigate allegations of misconduct of Councillors under the authority's Code of Conduct in compliance with: - <ul style="list-style-type: none">• regulations• in liaison with Independent Member	Localism Act 2011
7	Establish and maintain registers of Members' interests and gifts and hospitality.	Section 81 Local Government Act 2000 and Code of Conduct for Members.
8	Advice to Members on interpretation of Code of Conduct.	Code of Conduct for Members.
9	New ethical framework functions in relation to Parish Councils.	Section 83(12) Local Government Act 2000. Localism Act 2011.
10	Advising on appropriateness of compensation for maladministration.	Section 92 Local Government Act 2000.
11	Advice on vires issues,	New Council Constitutions

	maladministration, financial impropriety, probity and policy framework and budget issues to all Members.	Guidance paragraph 8.21.
12	Advise on any indemnities and insurance issues for Members/Officers.	Regulations under Local Government Act 2000.
13	Advise on the introduction of Local Assessment arrangements.	Local Government and Public Involvement in Health Act 2007 (including amendments to the Local Government Act 2000).
14	Act as the qualified person.	S36 Freedom of Information Act 2000 and Information Commissioner's Office Awareness Guidance

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The Golden Triangle: Governance Roles and Responsibilities

This document is a quick guide to the role of the three statutory officers in local authorities that focus on governance.

It brings together material from existing published sources, including the [Code of Practice on Good Governance for Statutory Officers](#) published in 2024 by CIPFA, Solace and LLG

Introduction: What is the ‘Golden Triangle’?

As outlined in the [Code of Practice on Good Governance for Statutory Officers](#), the three roles of Head of Paid Service, Chief Finance Officer and Monitoring Officer work together to ensure good administrative, financial, and ethical governance of a local authority in the exercise of its functions. The statutory officers are expected to advise clearly with impartiality and integrity. This can mean delivering challenging messages, which makes it more important that these three key officers work closely together to connect properly with key stakeholders across the authority. For this reason, they are often referred to collectively as the governance ‘Golden Triangle’.

In addition, there are other key leadership roles within the council which also play an important governance role and sometimes have their own statutory responsibilities. So, while this document focuses on the three roles that make up the Golden Triangle, the wider leadership team of any council could also be referred to as a ‘Golden Star’ and has a vital role in governance.

Crucially, all of these officers work on behalf of, and under the authority of, the *whole* council – not just the administration – and operate within various legal and assurance frameworks as set out in legislation and by regulators.

The Golden Triangle explained

Chief Executive/Head of Paid Service

The Chief Executive is expected to act as lead council adviser, managerial leader and discharge the statutory Head of Paid Service role.

Role Summary:

- The Head of Paid Service holds the power to formally report to the full authority on their preferred design for the delivery, co-ordination, and integration of the authority's functions.
- In addition to the responsibilities entrusted to them by the elected members, the Head of Paid Service is statutorily responsible for the numbers, grades, roles, appointment, and discipline of all staff other than those roles where the individual council's constitution and terms of reference specify elected member decision making.
- They are also chief advisor to the authority and responsible for ensuring the best advice is available to it at all tiers and ensuring the efficient and effective implementation of the council's programmes and policies across all services and the effective deployment of the authority's resources to those ends.

Key areas of responsibility

According to the [Local Government Chief Executive Development Framework, created by the Local Government Association and Solace through extensive engagement with current chief executives and other key stakeholders, including councillors](#), the core role of a Chief Executive includes the following seven key areas of responsibility:

➤ The core chief executive role

- **Coordination:** design, delivery, coordination and integration of council functions
- **Management:** management arrangements including accountability of functions and staff
- **Staffing:** the numbers, grades, roles, appointment and discipline of staff
- **Advising the council:** ensuring best advice is available to the council at all tiers
- **Elections:** acting independently as electoral risk manager (ERM) and returning officer (RO) for local and national elections, although in some cases councils appoint officers other than chief executives to act as returning officer
- **Emergencies:** preparing and leading response and recovery from civil emergencies

➤ Managerial Leadership

- **Leadership:** accountable for overall service delivery and managerial effectiveness
- **Direction:** clarity of direction, and continuous improvement of functions
- **Culture:** building an open, inclusive, learning and public service focus
- **Risk, control and safeguarding:** effective internal control systems and (where appropriate) oversight of children's and adults' safeguarding
- **Teamwork:** effective working in teams, across the organisation and its partners
- **Collaboration:** co-design and delivery with service users, communities and partners

➤ Good Governance

- **Unified powers:** distributed decision-making in one corporate entity
- **Reasoned and reasonable:** basis of all decisions; sound ideas and good evidence
- **Open:** meetings held in public, transparency and disclosure, whistleblowing
- **Advice:** objective, impartial and open to formal scrutiny and public question
- **Independent:** use of independent people to assure proper and due process
- **Citizenship:** practice of governance links to everyday dialogue with residents

➤ Resource management

- **Budgeting:** prioritisation, resource allocation, revenues and controlled spending
- **Savings:** producing and delivering agreed savings to time and target
- **Investment** in infrastructure through borrowing / capital receipts, and so on
- **Asset management:** well-maintained assets (including information and data), managed corporately
- **Financial risk:** exposure to risk through mismatch of debts and obligations
- **Prudence:** investing and spending for long-term value as well as near-term cost / benefit

➤ Politics and the political interface

- **Impartiality** while ensuring that the council's agenda is progressed
- **Guiding** others to work effectively in a democratically accountable organisation
- **Politics:** values, basic beliefs and differing political perspectives
- **Political parties:** individuals, coalitions, factions, consensus and dissent
- **Tiers of government:** national, regional, combined authorities, local, parish
- **Interface and overlaps:** of officers with councillors, codes, protocols, respect

➤ **Public ethics**

- **Ethical principles:** rights and liberty of individuals, community and the public good
- **Ethical cultures:** cultural variety and dynamism about values
- **Fairness:** equal treatment, equal opportunity, relational equality, equity
- **Services:** ethics in service design, delivery, resource allocation and staffing
- **Practices:** planning, environment, housing and transport compared with people-focused services
- **Violations:** investigation and sanctions for ethical breaches and integrity violations

➤ **Continuous improvement**

- **Learning and curiosity:** collaborative, continuous and curious style of learning
- **Innovation:** creative experimentation, trial and error, transform where feasible
- **Service re-design:** customer centred service design
- **Digital and artificial intelligence:** technology-powered, new media enabled, but human-led
- **Performance:** reported metrics of relative cost effectiveness to comparators
- **Impact and results:** making a positive difference through impact and results

Monitoring Officer

The Local Government and Housing Act 1989 states that it is the role of the Monitoring Officer to report on matters they believe to be illegal or amount to maladministration, to be responsible for matters relating to the conduct of councillors and officers and, to be responsible for the operation of the council's constitution and fulfilment of statutory obligations. They are often, but not always, the head of legal services in a local authority.

Role Summary:

- Responsible for ensuring lawfulness and fairness in the operation of the local authority's decision-making process.
- They are responsible for the maintenance and interpretation of the authority's constitution, have a key role in promoting and maintaining high standards of conduct and should (according to the statutory Guidance) also be the 'proper officer' for the purposes of publication of decisions and access to information.
- The Monitoring Officer maintains a register of members' interests and makes determinations on members' sensitive interests.
- They have a duty to act when it appears to them that any proposal, decision, or omission by the authority has given rise to or is likely to or would give rise to a contravention of any enactment or rule of law or amounts to maladministration.

Key Areas of responsibility

According to LLG, the role of the monitoring officer includes:

- **Ensure legality:** Report any actions by the authority that may be unlawful or constitute maladministration.
- **Investigate misconduct:** Examine breaches of the council's code of conduct and prepare statutory reports if needed.
- **Maintain registers:** Oversee registers of members' interests and hospitality.
- **Advise on conduct:** Act as the principal adviser to the standards committee and provide guidance on ethical standards.
- **Oversight of the constitution:** Responsible for maintaining and interpreting the council's constitution.
- **Advice:** Provide advice to councillors and officers on governance, propriety, and legality.
- **Training and culture:** Develop training programmes on ethical standards and foster a culture of integrity.

- **Liaison role:** Collaborate with the Chief Executive and Chief Finance Officer on governance issues.
- **Political awareness:** Navigate complex political environments while remaining impartial and trusted.
- **Crisis management:** Act swiftly when issues arise, often mediating informally before formal investigations.

Section 151/Chief Finance Officer

The chief financial officer is an executive senior leadership role with overall responsibility for the organisation's financial affairs, activities and operations. The role of the CFO is not just a financial one; the CFO also has leadership responsibilities in respect of the organisation as a whole. For more information see [CIPFA's guidance on the role of the CFO in local government](#).

Role Summary:

- Section 151 of the Local Government Act 1972 requires every local authority to make arrangements for the proper administration of their financial affairs, and to secure that one of its officers has responsibility for those affairs.
- They are responsible for managing the budget and must report to the authority on the robustness of the estimates for expenditure and income within the budget, and the adequacy of the proposed financial reserves.
- They have a duty to act in respect of unlawful expenditure or when it appears to them that the authority's expenditure incurred in a financial year is likely to exceed the resources available to meet it.
- S151 officers are available to provide professional advice to members to assist with their decision making. This is impartial advice. This advice does not have to be followed but councillors have to be aware of the implications if they decide to go against an officer recommendation.
- The Local Government and Finance Act 1988 section 114(7) requires all councils to provide their S151 officers with such staff, accommodation and other resources as are in their opinion sufficient to allow their duties section 114 to be performed.

Further information on processes for removal or constraints being applied to discharging duties can be found in CIPFA's guidance (link to follow).

Key Areas of responsibility

According to guidance published by CIPFA the role of the Chief Finance Officer includes:

- **Skilled professional:** Being a skilled, experienced, trusted and respected finance professional.
- **Finance function leader:** Leading an efficient and effective finance function that supports the organisation and helps people to grow, both as individuals and as professionals.

- **Financial health and stewardship:** Ensuring the financial health of the organisation and maintaining stewardship of public resources.
- **Driving organisational performance:** Creating an enabling culture, driving organisational performance and helping to bring about positive change.
- **Looking outwards:** Looking beyond the organisation to explore the wider context, to respond proactively to change and to build strong relationships with others.
- **Professional Leadership:** ensure the authority complies with the statutory and good practice financial management codes and frameworks that apply to all local authorities, including [The Prudential Code for Capital Finance in Local Authorities](#); the [Treasury Management Code of Practice](#); CIPFA's [Financial Management Code](#); and the [Code of Practice on Local Authority Accounting](#).

General overview of the three roles

Duties and Responsibilities

Below is a short summary and outline of the duties of the three Golden Triangle officers. However, this should be read in conjunction with the [Code of Practice on Good Governance for Statutory Officers](#) published in 2024 by CIPFA, Solace and LLG where full details about the responsibilities of each officer can be found.

Lead Ethically

- The Head of Paid Service, Chief Finance Officer, and Monitoring Officer (the statutory officers) have a particular responsibility for actively fulfilling and embedding the [Nolan Principles](#) across the work of their organisation – including elected members – and the wider public service system.

Act Wisely

- The statutory officers should be seen as playing an important role in key decisions and policy making – especially in relation to matters which have potential significant financial, legal, or ethical implications – and in ensuring the proper functioning and good management of the local authority and its strategic leadership through attending meetings, having access to documents, and producing reports for the consideration of their authority's decision-making bodies.
- The three statutory officers must also have access to support services, networks, and whistleblowing allegations and complaints (unless about them and it leads to a conflict of personal interests) relevant to their functions and seek to resolve issues swiftly.

Act Effectively

- Each of the statutory officers must have the autonomy to fulfil their statutory role and ensure that everyone is kept up to date on relevant changes to professional and legal practices.
- There must be a constructive working relationship between the three statutory officers and they should have regular meetings (with minutes), which should often include the Head of Internal Audit, to review current and likely future issues

that will raise political, financial, legal, staffing or other issues that may impact on their statutory duties.

- The statutory officers must have access to brief the Leader (or directly elected Mayor), other leading members of the authority and political group leaders, to discuss options, potential policies, decisions, and the required steps to deliver good governance.
- The three statutory officers have a positive duty to report illegality, fraud, or corruption to the relevant authorities. If a statutory officer believes another statutory officer to be guilty of a misdemeanour, relevant governance routes should be followed.
- The authority is required to provide the statutory officers with sufficient staff, accommodation, and resources to fulfil their duties.

Understand Governance

- The statutory officers should prepare and give their advice comprehensively, professionally, and impartially and encourage other officers to do the same.
- They must provide mutual trusted support wherever possible but also recognise the separation of powers and duties between the three roles, so that each is able to demonstrate independence, challenge, and balance across the golden triangle.

Build Resilience

- The statutory officers, or the authority, should make arrangements for the formal deputisation of their role. The role of civil contingencies leadership requires co-ordination of cover twenty-four hours a day.
- The statutory officers should seek to embed strong and sustainable governance awareness across the authority.

Deliver sound decision making

- The statutory officers must be satisfied that the authority has appropriate procedures in place to make lawful decisions, including ensuring all draft reports for decision contain the correct content on legal and financial matters as well as statutory considerations such as equality duties, and ensuring attention has been paid to relevant resident and stakeholder consultation.
- The statutory officers must be aware of the local authority's interests in external companies or bodies and the decisions of those bodies that are to be reserved to

the authority as a member or investor. They must ensure that there are reporting mechanisms in place for any issues.

- The statutory officers should keep up to date with performance against the business plan, including social and financial returns on investments and take appropriate action where concerns arise.
- The statutory officers should seek to have a regular and independent review of the governance and existence of the authority's companies and partnership bodies undertaken. (For more information on this, please see the LLG's example [Code of Governance for Local Authority Interests in Companies](#) and the Local Partnerships' [Local Authority Company Review Guidance](#))
- The statutory officers must assist those involved in the authority and the authority's organisations, including shared service arrangements, to understand conflicts of interest, and seek to provide support and resolve those conflicts where they arise.
- The statutory officers should ensure that an appropriate review of the effectiveness of the authority's governance, controls and risk management takes place across its partnership and other delivery bodies.

Resource the Roles

- The statutory officers must make clear (and satisfy themselves) as to what staff, accommodation and other resources are necessary to perform their duty and ensure that they have ready access to these resources.
- The statutory officers must ensure their authority understand and can apply the regulatory, developmental, and ethical requirements that are associated with their roles.
- The statutory officers should be supported to undertake continuous professional development with access to developmental resources.

The [Local Government and Housing Act 1989](#) requires that:

- The Head of Paid Service or Chief Finance Officer may not also be the Monitoring Officer, to provide balance and independence, and avoid any conflicts of interest

Due to the specific advisory duties of the Chief Executive, please also see the guidance from the [National Salary Framework & Conditions of Service Handbook](#) from the Joint Negotiating Committee for Local Authority Chief Executives. For example, the handbook states that the Chief Executive shall not be required to advise any political group of the council, either as to the work of the group or as to the work of the council, neither shall he or she be required to attend any meetings of any political group.

Summary

Within local government, the Head of Paid Service, Chief Financial Officer, and Monitoring Officer all play critical parts in its functioning, as this document starts to set out. Embodying both neutrality and expertise, the officers fulfil critical advisory, managerial, and decision-making capacities, with the best interests of their local authority and long-term outlooks at the heart of their role.

Beyond these formal functions, these statutory officers contribute to a local authority's effective organisational culture through their managerial and leadership roles. They are a crucial element in managing internal relationships and cross-departmental working, all of which are key to supporting effective governance and, in turn, operation of the organisation.

Due to their unique position within local authorities, particularly in the governance of the organisation, they have 'statutory protection' to ensure they have the necessary authority to perform their roles. This ensures that they are able to advise the whole council and discharge their full duties to the best of their abilities. In order to provide the neutrality, adaptability, and expertise required of their roles, this protection is a necessity.

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**COUNCIL
29 JANUARY 2026**

PART 1 – PUBLIC DOCUMENT

**TITLE OF REPORT: APPOINTMENT OF SUBSTITUTE, MEMBER, CHAIR AND VICE CHAIR OF THE FINANCE, AUDIT AND RISK COMMITTEE
(AND NOTING THE APPOINTMENT OF THE DEPUTY LEADER OF COUNCIL, APPOINTMENT OF A NEW EXECUTIVE MEMBER FOR CUSTOMER EXPERIENCE AND APPOINTMENT TO OUTSIDE ORGANISATIONS)**

REPORT OF: Democratic Services Manager

EXECUTIVE MEMBER: N/A

COUNCIL PRIORITY: THRIVING COMMUNITIES / ACCESSIBLE SERVICES / RESPONSIBLE GROWTH / SUSTAINABILITY

1. EXECUTIVE SUMMARY

- 1.1 The purpose of this report is to confirm the appointment of a new / replacement Member, Substitute Member/s, Chair and Vice Chair to the Finance, Audit and Risk Committee.
- 1.2 This follows the appointment of Councillor Sean Nolan, the current Chair of the Finance, Audit and Risk Committee, to the position of Executive Member for Customer Experience and the Deputy Leader of the Council, who resigned from the Committee on 19 January 2026.

2. RECOMMENDATIONS

- 2.1. That for the remainder of the 2025/26 civic year, Council appoints Members to the following vacancies on the Finance, Audit and Risk Committee:
 - One Member vacancy (Labour and Cooperative).
 - One Substitute Member vacancy (Labour and Cooperative).
 - One Substitute Member vacancy (Conservative).
- 2.2. That Councillor Vijaiya Poopalasingham be appointed as the Chair of the Finance, Audit and Risk Committee for the remainder of the 2025/26 civic year.
- 2.3. That Councillor Sarah Lucas be appointed as the Vice-Chair of the Finance, Audit and Risk Committee for the remainder of the 2025/26 civic year.
- 2.4. That Council note the appointment of Councillor Sean Nolan as the Executive Member for Customer Experience and Deputy Leader for the remainder of the 2025/26 civic year.
- 2.5. That Council note the appointment of Councillor Val Bryant as Member Representative and Councillor Sean Nolan as reserve Member Representative on the Outside Organisations 'Herts Leaders Group' and 'East of England Leaders Group'.

3. REASONS FOR RECOMMENDATIONS

- 3.1. To comply with the provisions of 4.8.1 (a) (vii), (viii) and (ix) of the Council's Constitution following Councillor Sean Nolan resigning from the Committee / position of Chair of Finance, Audit and Risk Committee and appointment as the Deputy Leader / Executive Member for Customer Experience.

4. ALTERNATIVE OPTIONS CONSIDERED

- 4.1. That the Finance, Audit and Risk Committee operate without a Chair, and the Vice Chair presides at each meeting, if present, and if not a Member of the Committee is elected as Chair for that meeting only.
- 4.2. This option is not recommended as the efficient conduct of the Finance, Audit and Risk Committee requires significant co-ordination between Officers and the Chair and it would not be possible to adequately prepare for meetings in the absence of a consistent elected Chair, particularly given that the Committee will be considering the budget at its next meeting.

5. CONSULTATION WITH RELEVANT MEMBERS AND EXTERNAL ORGANISATIONS

- 5.1. The vacancy is within the Labour and Cooperative party therefore the Leader of Council and the Group have given consideration and will make nominations to the vacant positions.
- 5.2. Executive appointments are a matter for the Leader of Council.

6. FORWARD PLAN

- 6.1. This report does not contain a recommendation on a key Executive decision and has therefore not been referred to in the Forward Plan.

7. BACKGROUND

- 7.1. Following the election of Councillor Val Bryant as Leader of the Council at the Extraordinary Council meeting on Tuesday 13 January 2026, it was advised that Councillor Sean Nolan would become the Deputy Leader of the Council.
- 7.2. Whilst not a requirement, Councillor Nolan submitted his resignation as Chair of the Finance, Audit and Risk Committee on Monday 19 January 2026. Therefore, a new Chair of this Committee is required, as well as an additional Member / Substitute appointed from the Labour and Co-Operative Group to fill this vacancy.
- 7.3. Since Annual Council there remains a substitute Conservative vacancy on the Committee, therefore, should the Conservative Group wish to appoint to this vacancy it presents an opportune time.
- 7.4. Councillor Val Bryant, as Leader of the Council, has advised that Councillor Nolan will also take on the Executive Member for Customer Experience role at Cabinet. Therefore, Appendix A includes the formal notice of this, which Council is asked to note.

8. RELEVANT CONSIDERATIONS

- 8.1 The Director and Democratic Services Manager, by way of sub delegation, can make in year changes to the membership of Committees (not Chair or Vice Chair). However, for completeness the changes to the membership, substitutes, Chair and Vice Chair of the Finance, Audit and Risk Committee have been contained within this report.
- 8.2 The Finance, Audit and Risk Committee itself only has the power to elect a Chair from its membership for the duration of a single meeting.

9. LEGAL IMPLICATIONS

- 9.1. The legal and constitutional requirements are set out in the main body of this report.
- 9.2. 14.6.9 (a) Delegation of Authority – Director: Governance of the Constitution states:
(xix) To make appointments (or where relevant nominate) Councillors or Substitutes to Committees, Sub-Committees, panels, boards and outside bodies, in consultation with Group Leaders during the civic year in respect of the appointments that have previously been made at Annual Council.
- 9.3 Sub delegation to Democratic Services Manager under 1.14.1 of officer's delegations:
e) *The appointment, nomination or revocation of appointment of any individual to any office/ body other than to Full Council in the event of vacation of office, in consultation with Group Leaders in respect of elected Councillors (In accordance with any requirements under the Local Government (Committees and Political Groups) Regulations 1990, or any legislation replacing the same under section 14.5.1 of the Constitution.*

10. FINANCIAL IMPLICATIONS

- 10.1. There are no financial implications arising from this report.

11. RISK IMPLICATIONS

- 11.1. Good Risk Management supports and enhances the decision-making process, increasing the likelihood of the Council meeting its objectives and enabling it to respond quickly and effectively to change. When taking decisions, risks and opportunities must be considered.
- 11.2. The efficient conduct of the Finance, Audit and Risk Committee requires significant co-ordination between Officers and the Chair and it would not be possible to adequately prepare for meetings in the absence of a consistent elected Chair, particularly given that the Committee will be considering the budget at its next meeting, prior to Council approval in February.

12. EQUALITIES IMPLICATIONS

- 12.1. In line with the Public Sector Equality Duty, public bodies must, in the exercise of their functions, give due regard to the need to eliminate discrimination, harassment, victimisation, to advance equality of opportunity and foster good relations between those who share a protected characteristic and those who do not.
- 12.2. There are no direct equalities implications arising from this report.

13. SOCIAL VALUE IMPLICATIONS

- 13.1. The Social Value Act and “go local” requirements do not apply to this report.

14. ENVIRONMENTAL IMPLICATIONS

- 14.1. There are no known Environmental impacts or requirements that apply to this report.

15. HUMAN RESOURCE IMPLICATIONS

- 15.1. There are no human resource implications.

16. APPENDICES

- 16.1. Appendix A – Cabinet Appointments for the remainder of the 2025/26 civic year.

17. CONTACT OFFICERS

- 17.1. James Lovegrove, Committee, Member and Scrutiny Manager
James.Lovegrove@north-herts.gov.uk

- 17.2. Melanie Stimpson, Democratic Services Manager
Melanie.Stimpson@north-herts.gov.uk

- 17.3. Isabelle Alajooz, Director – Governance and Monitoring Officer
Isabelle.Alajooz@north-herts.gov.uk

- 17.4. Rebecca Webb, HR Services Manager
Rebecca.Webb@north-herts.gov.uk

- 17.5. Reuben Ayavoo, Policy and Community Manager
Reuben.Ayavoo@north-herts.gov.uk

- 17.6. Tim Everitt, Performance and Risk Officer
Tim.everitt@north-herts.gov.uk

18. BACKGROUND PAPERS

- 18.1. None.

APPOINTMENT OF MEMBERS OF THE CABINET 2025/26

Report by the Leader of the Council

The Cabinet will consist of the Leader of the Council with at least one, but no more than nine, one of whom shall be the Deputy Leader, Councillors appointed to the Cabinet by the Leader. Each of the Cabinet Members shall be responsible for a portfolio/ or local government area.

DELEGATIONS FOR INCLUSION IN THE SCHEME OF DELEGATION

In accordance with the Cabinet Procedure Rules and Terms of Reference executive functions will be delegated to the following Cabinet Executive Members:

The extent of the authority delegated to these Members will be as set out in Section 14.6.5 to 14.6.12 of the Council's Constitution.

PORTFOLIO	CABINET EXECUTIVE MEMBER
Enterprise	Cllr Tamsin Thomas
Environment	Cllr Amy Allen
Governance	Cllr Daniel Allen
Regulatory	Cllr Mick Debenham
Resources	Cllr Ian Albert
Customer Experience	Cllr Sean Nolan
Place	Cllr Donna Wright
Local Government Reorganisation/ Devolution	Cllr Laura Williams

Special Interest Member Champions 2025/26

SPECIAL INTEREST	MEMBER
Health	VACANT
Young people	Cllr Cathy Brownjohn
Environment	Cllr Emma Fernandes
Housing	Cllr Daniel Wright-Mason

The Purpose and Role of a Special Interest Champion is set out under Annex 1. Note these are not Executive positions, which will be undertaken by the relevant Executive Member for the areas concerned, Leader in default of that, or Cabinet as a whole.

**Cllr Val Bryant
Leader of the Council
29 January 2026**

Annex 1

Special Interest Member Champion Purpose and Role

What is their Purpose?

A Special Interest Member Champion will be an elected Member who, in addition to their other Council responsibilities, is a named champion for a particular issue or group. They will provide a non-Executive or non-Officer voice to that subject or group to ensure a focus on these issues in Council business (within the context of the Council Plan, its priorities, remit and resources).

What is their Role?

Typically, a Special Interest Member Champion:

- Will engage with Officers and Members in relation to the role.
- Will promote the issue of special interest or group being championed within the Council, so that it is considered when developing Policy, Strategy or making decisions.
- May ask questions about performance and resources for the issue or group.
- Will raise the profile of the area and (where not already adopted or promoted) foster awareness of good practice for improvement of services.
- May attend and be invited to speak at Overview & Scrutiny/ Cabinet or Full Council meetings where an agenda item specifically involves their special interest.
- May engage with community groups with an interest/stake in the issue or group.

How does their role fit within the Council structure?

This will vary according to the area/issue that is being championed and how the authority functions. There is potential for confusion and overlap between the role of the Special Interest Member Champion and those of the relevant Executive Member or Overview and Scrutiny Members.

It is therefore important that Members and Officers work together to agree roles and action for the area being championed and that there are mechanisms for the Special Interest Member Champion to report on their activities. *In the first instance, the Member Champion will raise issues with and have a reporting line to the relevant Executive Member for the special interest concerned, to ensure that all parties have sufficient pre-reporting/ publicity information.*

[Save in so far as any decision is taken by the Council members as a whole] this is not a decision making role. A Special Interest Member Champion should avoid committing themselves to an outcome of a decision, in advance of that decision, that they have a vote upon.

COUNCIL
29 JANUARY 2026

PUBLIC DOCUMENT

TITLE OF REPORT: NOTICE OF MOTIONS

The following motion has been submitted, due notice of which has been given in accordance with Standing Order 4.8.12.

'Grey Belt' Land and Planning Applications in North Herts

To be moved by Councillor Louise Peace and seconded by Councillor Ruth Brown:

Changes to the NPPF (National Planning Policy Framework) in December 2024 introduced a new concept in planning: grey belt. *"For the purposes of plan-making and decision-making, 'grey belt' is defined as land in the green belt comprising previously developed land and/or any other land that, in either case, does not strongly contribute to any of purposes (a), (b), or (d) in paragraph 143."*

Villages in North Herts now find that surrounding 'green belt' land can be considered as 'grey belt' as (a), (b) and (d) in paragraph 143 of the 2024 NPPF made no reference to villages – only that neighbouring *towns* should not merge into one another and it should '...preserve the setting and special character of historic *towns*'. Proposed revisions to the NPPF, currently at consultation stage, go further than this with (a) and (b) clearly stating that villages should **not** be included in these considerations. Provided that certain 'golden rules' are followed such as the provision of 50% 'affordable' housing, applications can now be made on green belt land that would previously have been untenable.

The result of this in Ickleford, in my ward of Cadwell, is that some 350 homes are currently under consideration or at pre-application stage on undeveloped edge of village green field sites with another approximately 50 homes on the border of neighbouring Bearton ward. North Hertfordshire needs new homes, but it needs to be able to build these homes where there is infrastructure available to support residents. Residents deserve readily available NHS services, good public transport options including safe walking and cycling access to employment and homes where the sewerage network isn't already at capacity. Large developments on edge of village locations result in communities reliant on cars, using roads that are already at a standstill at peak periods.

In December 2025, the Campaign for the Protection of Rural England (CPRE) reported that of 1,250 homes submitted as part of applications on 'grey belt' land, 88% will be built on previously undeveloped countryside¹. When the policy was introduced, the government gave 'disused petrol stations' and 'abandoned car parks' as examples of sites in the green belt that could be considered 'grey belt' and released for development. Instead, the NPPF is allowing development on unspoilt rural landscapes. The requirement for local authorities to demonstrate a five-year land supply (also introduced in the 2024 NPPF) further reduces the protection for green field habitat as the 'tilted balance' in favour of development significantly raises the bar to demonstrate harms.

The Institute for Public Policy Research published research in 2025 that showed up to 1.4 million homes have been granted planning permission, but left unbuilt by developers since 2007², and commented "*This is not about pitting NIMBYs against YIMBYs, it is about ensuring the government achieves its ambitious targets whilst also maintaining local support and high quality.*" That is also the purpose of this motion.

Therefore, Council resolves:

That the Executive Member for Place –

- 1. Writes to the Secretary of State for Housing, Communities and Local Government to express concern about the rise of speculative development in the countryside in North Herts.**
- 2. Responds to the consultation on proposed changes to the NPPF by 10 March 2026, including the following points:**
 - Green belt assessment should include villages.**
 - Ensure grey belt developments occur only on previously developed land**
 - Ensure high-quality farmland and important wildlife habitats are protected from development.**
 - Set ambitious and legally binding targets for genuinely affordable and socially rented homes in all new developments, with developers held to account if they are not delivered.**

<https://www.cpre.org.uk/news/research-shows-most-grey-belt-homes-planned-on-unspoilt-countryside/>

<https://www.ippr.org/media-office/revealed-1-4-million-homes-left-unbuilt-by-developers-since-2007>

COUNCIL
29 JANUARY 2026

PUBLIC DOCUMENT

TITLE OF REPORT: NOTICE OF MOTIONS

The following motion has been submitted, due notice of which has been given in accordance with Standing Order 4.8.12.

HertsLynx Expansion

To be moved by Councillor Ralph Muncer and seconded by Councillor Steven Patmore

The HertsLynx was first launched in North and East Herts in September 2021 by the previous Conservative Administration at Hertfordshire County Council, offering residents the opportunity to access more flexible and reliable journeys by bus, as well as enhancing connections and making it easier for people who live in rural communities to access employment, education and healthcare located within key hub towns including Hitchin, Letchworth and Stevenage.

However, despite the service going from strength to strength in recent years with over 5,000 passenger journeys being taken every month and the service having been expanded to Dacorum in December 2023, the rural communities within the Southern Rural area have not yet been able to experience the benefits of this service due to the operating zone not having been expanded to cover them.

Therefore, Council resolves:

1. **To instruct the Leader of the Council to write to the Executive Member for Environment, Transport and Growth at Hertfordshire County Council, urging them to expand the HertsLynx service to the communities within the Southern Rural area who don't currently enjoy the benefits of this innovative service, as well as enhance the service currently experienced by those living elsewhere in North Herts.**
2. **To instruct Officers to work with Hertfordshire County Council in order to identify the best way North Hertfordshire District Council can encourage and support any proposals for the expansion and service enhancement of the HertsLynx, including investigating any potential financial support this Council could offer in order to deliver these ambitions.**

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COUNCIL
29 JANUARY 2026

PUBLIC DOCUMENT

TITLE OF REPORT: NOTICE OF MOTIONS

The following motion has been submitted, due notice of which has been given in accordance with Standing Order 4.8.12.

Action on Fly-tipping

To be moved by Councillor Ralph Muncer and seconded by Councillor Joe Graziano

Fly-tipping is a blight on our towns and villages which causes damage and pollution to the local environment, endangers public health and results in the perception of an area shifting from one that is looked after and protected to one of neglect and decline.

It's a crime which incurs significant cost to the taxpayer, with the Hertfordshire Waste Partnership estimating Councils across the county are required to over £1 million every year to clean-up and investigate illegally dumped waste.

Rural communities are also disproportionately impacted by this crime with farmers, who already face increased hardship, often being required to pay thousands of pounds to remove fly-tipped waste from their land, and recently the National Farmers Union estimated the cost of rural crime in Hertfordshire, including fly-tipping, increased to £1.23 million.

Therefore, Council resolves:

1. **To use the powers given to local authorities by the previous Conservative Government to increase fixed penalty notices issued by North Hertfordshire District Council for fly-tipping to £1000 as opposed to the current £400 fine.**
2. **To instruct Officers to work on a public information campaign to increase awareness of the SCRAP code, as well as the steps members of public should take to report fly-tipping to the Council.**
3. **To adopt a policy to name offenders who are convicted of fly-tipping in Council Press Releases.**

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