



Members of the Chilterns Conservation Board for the Chilterns Area of Outstanding Natural Beauty are hereby summoned to a briefing and workshop of the Chilterns Conservation Board Executive Committee on

**1<sup>st</sup> February 2022 at 10.00am**

The session will be open from 9.30 am

**By remote video conferencing**

**Agenda**

1. Apologies
2. Declaration of Interest
3. Notice of urgent business
4. Chairman's update
5. Review notes from Previous meeting (02.11.21)
6. Matters Arising
7. Chief Executive's update
8. Finance Report
9. Draft Budget 2022-23
10. Governance Review – (JN - verbal update)
11. Business Plan 2022-23
12. Risk Register
13. Landscapes Review (verbal update)
14. Mend the Gap
15. Urgent Business
16. Agenda items for 1 March Board meeting
17. Time and date of next meeting

## Future Meetings:

<u>Full Board</u>	1 March 2022 14 June 2022 Plus AGM 6 September 2022 6 December 2022
<u>Executive Committee</u>	3 May 2022 2 August 2022 1 November 2022
<u>Planning Committee</u>	13 April 2022 12 July 2022 11 October 2022



**MINUTES OF THE MEETING OF THE EXECUTIVE COMMITTEE HELD ON Tuesday 2<sup>nd</sup> November 2021 at Chinnor Village Centre, High Street Chinnor OX39 4DH commencing at 10.00 am**

Present:

Cllr John Griffin	Board Member
Cllr Charles Hussey	Board Member
Cllr Lynn Lloyd	Board Member
John Nicholls	Board Member, Deputy Chairman
Paul Mains	Board Member, Chairman
John Shaw	Board Member
Ian Waller	Board Member

In attendance:

Gareth Clay	CCB Farming in Protective Landscapes Officer.
Kath Daly	CCB Countryside Officer
Graham Hurst	CCB Finance Officer
Dr Elaine King	CCB Chief Executive Officer

Deirdre Hansen	Clerk to the Board
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**21/22.16 Apologies for absence.**

Apologies for absence were received and accepted from Alison Doggett, Secretary of State appointee.

**21/22.17 Declarations of interest**

None.

**21/22.18 Notice of Urgent Business**

The meeting was notified of a Counter Fraud and Corruption Policy. This policy has been created to consolidate existing policies and documents.

**21/22.19 Public Question Time**

No public present.

**21/22.20 Review notes of previous briefing (10/08/21) and minutes of the previous meeting (28/04/21)**

The minutes of the meeting of 28<sup>th</sup> April 2021 had been reviewed at the briefing 10/08/21 and were approved as a true record.

The notes of the briefing 10/08/21 were reviewed.

### **21/22.21 Matters arising**

All covered in the agenda.

### **21/22.22 Chairman's update**

In the last three months the Chairman had dealt with the following matters:

1. The Secretary of State appraisal system for the Secretary of State appointed members. This was new to the Chairman and had taken a lot of time. If the eight Secretary of State members have to be appraised, what about all the other Board members? He will inform Defra of his views on this system and report back to the Committee.
2. We now have 26 of the 27 Board members in place. The latest parish council elected Board member is Sir Hector Sants, elected by Buckinghamshire parish councils. The Chairman, Deputy Chairman and the CEO are meeting with Sir Hector next week. The clerk is working to fill the final vacancy, a Bedfordshire parish council member.
3. The Chair attended the Chilterns Building Design Awards presentation. The Awards are organised by the Chilterns Conservation Board and the Chiltern Society to encourage the highest possible quality of building design and thus conserve and enhance the character and outstanding natural beauty of the Chiltern Hills.
4. At the invitation of the Cotswolds AONB, he had attended their October Board meeting. It had been interesting and positive meeting to attend. The Chairman, the Deputy Chairman, and the CEO will be meeting with the CEO of the Cotswolds AONB.
5. Work on a 5- year finance strategy for the CCB is progressing with the Finance Officer and the CEO.
6. The Deputy-Chairman is leading a Task and Finish Group on Governance, which consists of Board members and staff.
7. The Inclusion and Diversity work needs to be progressed and he is meeting with board members Geeta Ludhra and Reena Ranger.
8. He regrets that a Staff and Board away day failed to be achieved this year due to the fuel crisis.
9. The shared space for Board Members to access documents is still work in progress.
10. He thanked the Staff team for all their hard work.
11. The process for developing a business plan and 25-year vision for the Chilterns is in progress.
12. He intends in future for the Executive Committee to sign off the agenda for the Board meeting that follow the Executive Committee meeting.
13. The next Board meeting 7<sup>th</sup> December agenda items:
  - i. HS2. It is the intention to discuss HS2. The day will include a site visit and presentations from the staff team.
  - ii. Budget and progress on the Business Plan.
  - iii. Income Generation and Funding.
  - iv. Governance
  - v. Future Committee membership
14. Venues and timing of the next Board meeting were discussed. CEO to talk to Cllr Peter Martin.

*It was agreed to move agenda item 12 Farming in Protected Landscapes up the agenda.*

### **21/22.23 Farming in Protected Landscapes**

The Chairman thanked the Countryside Officer for her work on this paper.

The Countryside Officer gave a summary of and a presentation on the Defra funded Farming in Protected Landscapes programme in the Chilterns AONB. This programme is part of the Government Agricultural Transition Plan.

The additional investment will allow farmers and land managers to work with AONBs and National Parks to provide benefits for Climate, Nature, People and Places.

The programme outcomes have been set by Defra and this is the framework the CCB is working to. To be eligible the projects must benefit the protected landscape, or the protected landscape body's objectives (our Management Plan) or partnership initiatives.

Gareth Clay has been employed as the Farming in Protected Landscapes Officer to lead the delivery of the programme. It is a 3- year programme ending in 2024. The original allocation for the Chilterns AONB year 1- 2021/22 was £626,048.

We have recently heard from Defra that the year 1 budget can be reprofiled across the three financial years, if necessary.

Projects are approved by a Local Assessment Panel, chaired by Ian Waller, farmer, and Board member. Terms of Reference have been drawn up based on Defra guidance. The current panel has been appointed on an interim bases until March 2022. The composition of this dynamic and robust panel will be reviewed during the winter.

Funding must be spent in-year. This has resulted in significant pressure on existing staff, who have worked over and above their normal roles. Several "quick" wins have been made using existing farmer networks and wider promotion across the AONB. Defra officials are providing a lot of guidance and advice. There is a direct line to the Defra staff dealing with the programme and there is a National Steering Committee.

*Ian Waller continued with the presentation.*

He emphasised that the programme is intended to deliver some of the money to small family farms who have been disconnected from previous funding schemes. It is difficult to engage with those who are not already part of a farmer cluster, and it is an aim to set up more farmer clusters in the Chilterns.

*Gareth Clay* gave a summary of spending and committed spending to date and showed a list of work going on in the programme, for example hedgerow planting and gapping up by the Central Chilterns Farmer Cluster. He noted that the farmer has to make a contribution. There is an emphasis on people and biodiversity and a service to enable more people/schools to come out into the Chilterns.

He showed patterns of enquiries and applications. Most applications are from Buckinghamshire, followed by Oxfordshire, Bedfordshire, and Hertfordshire. The majority of applications are made by farmers, but also some by NGOs, small landowners, education bodies and even some from golf courses.

Members had the opportunity to ask questions.

All Committee members expressed their admiration for the impressive work already achieved by the whole team. The CEO commented that this programme is a game changer for the Chilterns and nationally. She thanked the whole team.

The Countryside Officer thanked Ian Waller and the rest of the team for their contributions.

The Chairman and the Committee thanked the Countryside Officer and the team. He intends to remind Defra how hard it is to deliver at short notice.

### **1. The Committee NOTED the progress update.**

#### **21/22.24 Chief Executive's Update**

The Chief Executive Officer described some elements of her recent work.

She is starting to work on the new Business Plan with the senior team, bringing in a consultant to help guide and support the work. They will meet this afternoon.

She has also brought in a new HR advisor, following retirement of the previous advisor. Both will work with the team to ensure the right staff are in the right place to deliver the Business Plan and the Management Plan.

Glover Review: the CEO has been working with a group of other AONB CEOs to advise and support Defra on its response to the Glover Review.

The work with Natural England on the extension of the AONB has not started, though Elaine and Matt are having planning sessions with NE on the management and governance element of the work.

The CEO continues to liaise with Dr Geeta Ludhra on Equality Diversity and Inclusion, which includes advising the Defra Public Appointments team, who have asked Elaine and Geeta to assist in the next round of appointments.

Elaine and Allen attended the launch of the Smarter Catchment Plan for the River Chess. This paves the way for £3 million investment into the catchment over 4 years by Thames Water to deliver the first part of a 10-year action plan, with more investment during the second phase of the plan. The plan aims to improve the health of the Chess, working with many local partners. Areas of focus include managing flows, tackling invasive species and improving wildlife corridors.

They also attended launch of the National Chalk Streams Restoration strategy, a catalyst for which was work done by Allen and others in the Chilterns. Rebecca Pow, Under Secretary of State at Defra, launched the strategy, along with the CEO at Thames Water and chairs at Environment Agency and Natural England.

The CEO is arranging a meeting with all the MPs in the Chilterns and has met separately with several of them in recent months.

She is hoping that staff can start using the office this month, after redecoration is complete. The CEO was asked about the new website – this is due for launch in the spring.

The Chairman thanked her for all the work that she does.

#### **21/22.25 Finance and Budget Planning**

The Finance Officer reported on the Core and Project activities for the six months to 30 September 2021.

Core expenditure for the six months is £271,851 as expected. All monies from Defra for 2021/22 have been received £448,203. Local Authority contributions are slower coming in.

The CCB has received a legacy payment from a former volunteer £64,504. This money is unrestricted, and it needs to be discussed how to use this legacy.

Fee income is expected to be more than budgeted due to the ability to recover a share of administration costs from a few projects. Some small cost savings have been made due to the late return to the office.

Some projects have been extended due to delays incurred with the Covid restrictions. It is expected that several expense lines will become live in the second half of the year e.g., research and data.

Project income received in the first six months £548,955 as expected. Project expenditure was £391,158. The shortfall relates to expenditure made, but not yet claimed back.

The Finance Officer reminded the Committee of the projects that require match funding, including a contribution from the CCB:

Beacons of the Past - CCB contribution £25,000

Chalk Cherries Chairs - CCB contribution £10,000

Chalkscapes - CCB contribution £20,000

Chilterns Chalk Streams Project - CCB contribution £10,000 per annum

The Finance Officer gave a progress report on the development of a five-year budget.

The Committee reviewed the financial report and the 5-year budget.

**1. The Committee NOTED the current financial results for the year to 30 September 2021.**

**21/22.26 Audit Report**

The Finance Officer reported that both the internal and external auditors had concluded their audits for the year ending 31 March 2021.

The internal auditors have made two recommendations in their report issued July 2021:

- i. The CCB reviews its Financial Regulations and Standing Orders. It has agreed to review these in this financial year.
- ii. The CCB updates its accounting records for interest rolled over. This has been done.

The external auditors issued their report September 2021. They report that no matters have come to their attention giving cause for concern that the relevant legislation and regulatory requirements have not been met. The auditors also report that there are no matters which they wish to draw to the attention of the Board.

**1. The Committee NOTED both auditors' reports.**

**21/22.27 Governance Update.**

The Deputy Chairman thanked members of the Task and Finish Group for their time and contributions. He reported that the Task and Finish Group had held two meetings.

The first meeting had agreed a list of key questions to be answered. The second meeting provided some answers, and the third meeting will consider a draft report for the December Board meeting. It was noted that Defra's consultation has a longer timescale to work to.

We need to look at a two-stage response:

1. Changes we can make internally, recommending those to the Board in December
2. Fundamental changes that require legislative changes. The Board to recommend these measures and for the CEO to feed them into developing national thinking e.g., how the Government responds to the Landscapes Review.

### **1. The Committee Noted the update.**

#### **21/22.28 Mend the Gap**

The Committee had been provided with the papers.

It was asked that there appears to be no end point on the projects. The CEO will ask the programme manager and report back.

#### **21/22.29 Any Urgent Business**

The CEO brought to the Committee a Counter Fraud and Corruption Policy. The policy has been created to consolidate existing policies and documents.

Under the Accounts and Audit Regulations 2015, the Board is required to maintain a sound system of internal control and to maintain an adequate and effective internal audit of its financial records and control systems.

The Responsible Financial Officer has a statutory responsibility, under Section 151 of the Local Government Act 1972, to ensure the proper administration of the Board's financial affairs. Mandatory guidance, issued in 2019 by the Joint Panel on Accountability and Governance, requires the Board to have measures designed to prevent and detect fraud and corruption.

The Board has the following principal measures in place, which this new policy supports and consolidates:

- The Board's Code of Governance
- Financial and Contract Regulations
- Code of Conduct
- Declaration of Interest Procedures
- Annual Governance and Accountability Reports
- Employee Handbook
- Operational Policies and Procedures  
(e.g., Health & Safety, IT Security, Disciplinary/Capability).

### **1. The Committee APPROVED the Counter-Fraud and Corruption Policy.**



**Next meeting: 1<sup>st</sup> February 2022**

**location TBC.**

The Chairman.....

Date.....



**Core Management accounts**  
**Chilterns Conservation Board**  
**Nine months to 31 December 2021**

	YE March 2021	YE March 2022	YE March 2022
	Actual	Budget	Actual 9 mths to 31/12
<b>Income</b>			
Advertising Income	£0.00	£4,150.00	£4,138.11
DEFRA	£450,203.00	£448,203.00	£336,152.25
Donations Received	£0.00	£64,505.00	£64,504.97
Fee Income	£10,150.00	£62,000.00	
Interest Income	£1,290.80	£135.00	
Local Authority Contribution	£111,309.00	£111,000.00	£111,309.00
Other Revenue	£10,035.31	£0.00	£565.54
Project Income	£224.87	£0.00	£25.00
Sale of merchandise	£793.15	£500.00	£90.99
<b>Total Income</b>	<b>£835,563.39</b>	<b>£690,493.00</b>	<b>£516,785.86</b>
<b>Less Overheads</b>			
Advertising & Marketing	£0.00	£200.00	£215.50
Bank Fees	£186.73	£150.00	£101.87
Board Meetings	£1,252.05	£1,610.00	£121.19
Cleaning	£1,565.83	£2,700.00	£1,160.80
Computer and IT Equipment	£286.23	£3,250.00	£1,224.88
Consulting	£27,441.91	£17,000.00	£17,904.82
Employers National Insurance	£30,120.48	£31,935.00	£24,869.56
Event costs	£0.00	£1,800.00	£411.00
Finance costs	£16,380.00	£16,240.00	£3,180.00
General Expenses	£3,753.07	£4,500.00	£537.00
Insurance	£2,936.86	£4,900.00	£4,255.96
IT Software and Consumables	£7,938.80	£9,731.00	£6,484.88
IT support and maintenance	£4,752.16	£5,022.00	£4,431.09
Legal Expenses	£2,220.00	£1,000.00	£0.00
Light, Power, Heating	£1,331.48	£1,800.00	£661.68
Magazine costs	£8,032.00	£8,500.00	£9,974.00
Medical Insurance	£3,518.50	£4,800.00	£2,682.51
Members Allowances	£8,097.20	£3,500.00	£2,993.60
Office Equipment	£0.00	£3,600.00	£219.60
Pensions Costs	£47,603.17	£56,100.00	£42,210.30
Postage, Freight & Courier	£2,766.58	£2,750.00	£267.62
Printing & Stationery	£2,694.48	£1,000.00	£174.47
Rates and Water rates	£5,668.24	£5,683.00	£4,853.18
Recruitment	£0.00	£1,000.00	£2,096.40
Rent	£17,500.00	£18,500.00	£12,325.00
Repairs & Maintenance	£1,913.30	£2,700.00	£991.20
Research and survey expenditure	£0.00	£6,000.00	£0.00
Salaries	£302,996.72	£331,450.00	£259,656.49
Staff expenses	£326.12	£840.00	£95.20
Staff Training	£100.00	£3,000.00	£1,095.00
Subscriptions	£5,685.51	£3,690.00	£4,047.89
Telephone & Internet	£4,727.50	£4,500.00	£3,699.56
Travel Expenses	£277.10	£520.00	£334.05
Website running costs	£21,571.72	£5,000.00	£8,460.00
<b>Total Overheads</b>	<b>£536,643.74</b>	<b>£564,971.00</b>	<b>£421,736.30</b>
<b>Total Expenses</b>	<b>£536,643.74</b>	<b>£564,971.00</b>	<b>£421,736.30</b>
<b>Surplus</b>	<b>£49,912.65</b>	<b>£125,522.00</b>	<b>£95,049.56</b>

From Outstanding Chilterns magazine  
Note we have received our full year allocation  
Legacy from a former vounteer  
Hosting fees: MTG, Green Rec Fund. We will also rec a cotribution from FiPL  
Int rates low, Majority of int goes to MTG.  
All LA's have paid.

9 months of annual budget = 517869.8

Reduced face to face meetings  
Office cleaning, gardening, waste collection  
3 laptops  
Planner, HR and Business Planning. Latter was not budgeted, current spend £3027.  
Employment cost  
Hire of rooms etc  
FO, Ext audit,Int audit, Actuary. End of year loaded

Xero, Payroll,Zoom, MS365,Approvalmax,Antivirus  
Maint contract, backups, server warranty

Note we received a £504 credit for actual v est readings in October  
note advertising shown as income. Map intergration digital copy  
Westfield

Not in the office  
Current 17.1%, next year 18.4%. 9 mth budget 42075  
Not in the office

Guardian advert for Project support officer not budgeted  
£5125 qtr but refund re decoration

Gross pay Core team, note 9months budget = 248587.5

Anational AONB plus small sundry  
ACR network, mobiles and Teams

Includes build costs of new website  
9 months of annual budget = 423728.3

9 months of annual budget = 94141.5

**Project Management accounts**  
**Chilterns Conservation Board**  
**Nine months to 31 December 2021**

	Beacons of the Past ex 280	BLEF Tourism ex 460	Chalk Streams Project	Chalk, Cherries & Chairs	Chalkscapes ex 501	Chess Smarter Water Catchment	Chiltern Walking Festival ex 451	Farming in Protected Landscapes	Green Recovery Fund	HS2 Additional projects ex 271	Mend the Gap ex 310	Small Projects	Total	Total 2021
<b>Income</b>														
DEFRA	£0.00	£64,505.00	£0.00	£0.00	£5,000.00	£0.00	£0.00	£417,574.01	£0.00	£0.00	£0.00	£0.00	£487,079.01	£5,202.43
Local Authority Contribution	£0.00	£62,000.00	£2,000.00	£0.00	£0.00	£0.00	£0.00	£0.00	£0.00	£0.00	£0.00	£0.00	£64,000.00	
Other Revenue	£0.00	£0.00	£25,000.00	£5.86	£0.00	£0.00	£0.00	£0.00	£0.00	£0.00	£0.00	£0.00	£25,005.86	£51,494.88
Project Income	£51,903.50	£17,821.00	£59,621.00	£251,631.27	£0.00	£117,957.00	£6,320.50	£0.00	£73,500.00	£0.00	£0.00	£0.00	£578,754.27	£425,694.94
<b>Total Income</b>	<b>£51,903.50</b>	<b>£144,326.00</b>	<b>£86,621.00</b>	<b>£251,637.13</b>	<b>£5,000.00</b>	<b>£117,957.00</b>	<b>£6,320.50</b>	<b>£417,574.01</b>	<b>£73,500.00</b>	<b>£0.00</b>	<b>£0.00</b>	<b>£0.00</b>	<b>£1,154,839.14</b>	<b>£482,392.25</b>
<b>Gross Profit</b>	<b>£51,903.50</b>	<b>£144,326.00</b>	<b>£86,621.00</b>	<b>£251,637.13</b>	<b>£5,000.00</b>	<b>£117,957.00</b>	<b>£6,320.50</b>	<b>£417,574.01</b>	<b>£73,500.00</b>	<b>£0.00</b>	<b>£0.00</b>	<b>£0.00</b>	<b>£1,154,839.14</b>	<b>£482,392.25</b>
<b>Less Operating Expenses</b>														
Bank Fees	£0.00	£0.00	£0.00	£13.64	£0.00	£0.00	£0.00	£0.00	£0.00	£0.00	£0.00	£0.00	£13.64	
Computer and IT Equipment	£0.00	£0.00	£612.93	£0.00	£0.00	£0.00	£0.00	£594.00	£0.00	£0.00	£0.00	£0.00	£1,206.93	
Consulting	£0.00	£3,245.00	£187.50	£0.00	£0.00	£812.50	£3,459.87	£0.00	£0.00	£11,211.33	£1,800.00	£1,077.60	£21,793.80	
Employers National Insurance	£1,378.05	£0.00	£2,835.95	£3,148.05	£982.58	£0.00	£0.00	£946.66	£0.00	£0.00	£2,743.37	£0.00	£12,034.66	
Event costs	£0.00	£0.00	£0.00	£0.00	£0.00	£0.00	£0.00	£95.50	£0.00	£0.00	£0.00	£0.00	£95.50	
General Expenses	£0.00	£281.70	£2,488.07	£0.00	£0.00	£0.00	£1,431.08	£19,955.43	£0.00	£7,425.95	£10,952.00	£834.00	£43,368.23	
FiPL Grant	£0.00	£0.00	£0.00	£0.00	£0.00	£0.00	£0.00	£7,958.00	£0.00	£0.00	£0.00	£0.00	£7,958.00	
HLF Equipment and materials (activity)	£1,306.62	£0.00	£0.00	£14,494.66	£149.00	£0.00	£0.00	£0.00	£0.00	£432.00	£0.00	£0.00	£16,382.28	
HLF Equipment and materials (capital)	£0.00	£0.00	£0.00	£10,104.19	£0.00	£0.00	£0.00	£0.00	£0.00	£0.00	£0.00	£0.00	£10,104.19	
HLF Evaluation	£0.00	£0.00	£0.00	£6,595.40	£0.00	£0.00	£0.00	£0.00	£0.00	£0.00	£0.00	£0.00	£6,595.40	
HLF Full Cost Recovery	£0.00	£0.00	£0.00	£8,896.00	£0.00	£0.00	£0.00	£0.00	£897.00	£0.00	£0.00	£0.00	£9,793.00	
HLF Irrecoverable VAT	£1,927.73	£0.00	£0.00	£18,590.27	£1,693.86	£0.00	£0.00	£0.00	£200.00	£0.00	£0.00	£0.00	£22,411.86	
HLF New Staff Costs	£20,664.43	£0.00	£0.00	£107,198.03	£33,542.70	£0.00	£0.00	£0.00	£632.23	£0.00	£0.00	£0.00	£162,037.39	
HLF Other costs	£0.00	£0.00	£0.00	£8.07	£18.88	£0.00	£0.00	£0.00	£1,000.00	£0.00	£0.00	£0.00	£1,026.95	
HLF Other costs (activity)	£2,560.00	£0.00	£0.00	£3,422.55	£459.68	£0.00	£0.00	£0.00	£0.00	£0.00	£0.00	£0.00	£6,442.23	
HLF Other costs (capital)	£1,501.25	£0.00	£0.00	£11,442.29	£1,042.17	£0.00	£0.00	£0.00	£0.00	£0.00	£0.00	£0.00	£13,985.71	
HLF Professional fees relating to any of the above (activity)	£4,590.00	£0.00	£0.00	£58,138.38	£6,567.50	£0.00	£0.00	£0.00	£0.00	£0.00	£0.00	£0.00	£69,295.88	
HLF Professional fees relating to any of the above (capital)	£2,128.50	£0.00	£0.00	£0.00	£0.00	£0.00	£0.00	£0.00	£0.00	£0.00	£0.00	£0.00	£2,128.50	
HLF Publicity and promotion	£47.20	£0.00	£0.00	£1,232.98	£182.00	£0.00	£0.00	£0.00	£0.00	£0.00	£0.00	£0.00	£1,462.18	
HLF Recruitment	£0.00	£0.00	£0.00	£0.00	£159.00	£0.00	£0.00	£0.00	£0.00	£0.00	£0.00	£0.00	£159.00	
HLF Repair and conservation work	£1,000.00	£0.00	£0.00	£34,041.29	£0.00	£0.00	£0.00	£0.00	£0.00	£0.00	£0.00	£0.00	£35,041.29	
HLF Training for staff	£0.00	£0.00	£0.00	£87.00	£0.00	£0.00	£0.00	£0.00	£0.00	£0.00	£0.00	£0.00	£87.00	
HLF Training for volunteers	£0.00	£0.00	£0.00	£6,249.68	£0.00	£0.00	£0.00	£0.00	£0.00	£0.00	£0.00	£0.00	£6,249.68	
HLF Travel and expenses for volunteers	£0.00	£0.00	£0.00	£308.45	£0.00	£0.00	£0.00	£0.00	£0.00	£0.00	£0.00	£0.00	£308.45	
HLF Travel for staff	£22.95	£0.00	£0.00	£2,347.15	£253.45	£0.00	£0.00	£0.00	£0.00	£0.00	£0.00	£0.00	£2,623.55	
IT Software and Consumables	£0.00	£15.02	£94.34	£0.00	£7.20	£142.80	£115.12	£26.44	£0.00	£0.00	£26.44	£48.00	£475.36	
IT support and maintenance	£0.00	£0.00	£215.66	£0.00	£0.00	£15.40	£0.00	£199.80	£0.00	£0.00	£10.80	£0.00	£441.66	
Medical Insurance	£-15.50	£0.00	£-66.64	£0.00	£0.00	£0.00	£0.00	£0.00	£0.00	£0.00	£0.00	£0.00	£-82.14	
Pensions Costs	£1,030.02	£0.00	£5,615.43	£5,816.13	£2,038.20	£0.00	£0.00	£1,668.61	£0.00	£0.00	£4,533.67	£0.00	£20,702.06	
Postage, Freight & Courier	£0.00	£0.00	£0.00	£0.00	£0.00	£0.00	£0.00	£18.00	£0.00	£0.00	£0.00	£0.00	£18.00	
Printing & Stationery	£0.00	£0.00	£46.71	£0.00	£0.00	£0.00	£600.00	£0.00	£0.00	£0.00	£0.00	£0.00	£646.71	
Project donations	£-7,600.00	£0.00	£0.00	£0.00	£0.00	£0.00	£0.00	£0.00	£0.00	£0.00	£0.00	£0.00	£-7,600.00	
Recruitment	£0.00	£0.00	£0.00	£0.00	£0.00	£1,688.40	£0.00	£400.80	£0.00	£0.00	£0.00	£0.00	£2,089.20	
Salaries	£14,734.61	£0.00	£33,438.13	£34,011.98	£11,919.23	£0.00	£0.00	£9,757.89	£0.00	£0.00	£26,512.48	£0.00	£130,374.32	
Staff expenses	£0.00	£0.00	£0.00	£0.00	£0.00	£0.00	£0.00	£24.90	£0.00	£0.00	£0.00	£0.00	£24.90	
Subscriptions	£5.90	£0.00	£63.72	£0.00	£0.00	£0.00	£0.00	£0.00	£0.00	£0.00	£0.00	£0.00	£69.62	
Travel Expenses	£0.00	£0.00	£250.20	£0.00	£0.00	£0.00	£17.55	£103.10	£0.00	£7.20	£0.00	£0.00	£378.05	
<b>Total Operating Expenses</b>	<b>£45,281.76</b>	<b>£3,541.72</b>	<b>£45,818.20</b>	<b>£326,146.19</b>	<b>£59,015.45</b>	<b>£2,659.10</b>	<b>£5,623.62</b>	<b>£41,749.13</b>	<b>£2,729.23</b>	<b>£19,076.48</b>	<b>£46,578.76</b>	<b>£1,959.60</b>	<b>£600,143.04</b>	<b>£544,644.31</b>
<b>Surplus / - Deficit (Red)</b>	<b>£6,621.74</b>	<b>£140,784.28</b>	<b>£40,802.80</b>	<b>£-74,509.06</b>	<b>£-54,015.45</b>	<b>£115,297.90</b>	<b>£696.88</b>	<b>£375,824.88</b>	<b>£70,770.77</b>	<b>£-19,076.48</b>	<b>£-46,578.76</b>	<b>£-1,959.60</b>	<b>£554,696.10</b>	<b>£-62,252.06</b>

**Item 10****Financial Regulations****Author:**

Graham Hurst, Finance Officer

**Summary:**

Financial Regulations

**Purpose of Report:**

To update the Board regarding the CCB Financial Regulations

**Background**

The CCB Financial regulations are reviewed and updated periodically. The previous review was May 2018. The regulations have been reviewed in January 2022 and only minor changes were necessary. The current regulations are attached.

**Action being taken**

No action is required, for information only

**Recommendations**

- 1. The Board are asked to note that the Financial Regulations have been reviewed and no changes required**



# **Financial Regulations**

**January 2022**

## **FINANCIAL REGULATIONS**

### **CONTENTS**

#### **Introduction**

- 1 Responsibilities**
- 2 Accounting Policies**
- 3 Accounting Records**
- 4 Annual Statement of Accounts**
  
- 5 Medium Term Revenue Forecast**
- 6 Revenue Budget**
- 7 Virement**
- 8 Reserves**
- 9 Risk management & Insurance**
- 10 Internal Controls**
- 11 Internal Audit**
- 12 External Audit**
- 13 Treasury Management**
- 14 Payment Authorisation Procedures**

## INTRODUCTION

### Instructions

- 1 Conservation Boards spend large sums of money and have a duty to account clearly for the money they spend to the public, who pay for the spending through various forms of taxation.
- 2 These Financial Regulations are a part of the overall control framework within which the Chilterns Conservation Board operates. Rather than a barrier to action they should be viewed as providing the framework within which you can act, setting out best practice and ensuring a high quality of financial information enabling better decision making and in turn, improved service delivery and greater client satisfaction.
- 3 The financial control framework can be seen as a hierarchy as set out below.

Financial Regulations	Approved by the Board
Financial Instructions	Approved by the Finance Officer
Operational policies/procedures	Approved by the Chief Officer

- 4 to the Finance Officer will provide assistance in all areas relating to financial management and financial control. In particular, you should seek advice if you are intending to create a new financial procedure or amend an existing one.
- 5 The Chief Officer is responsible for ensuring that financial controls are operating effectively. Internal Audit monitors the financial control framework.
- 6 The responsibility for the creation and maintenance of the framework rests with the Finance Officer.
- 7 The Finance Officer welcomes feedback on the operation of Financial Regulations and Financial Instructions to ensure they remain relevant and effective.



## 1 RESPONSIBILITIES

### Preamble

The financial regulations have been written with the intention of delegating responsibility wherever appropriate. This regulation sets out the framework of responsibilities within which that delegation takes place.

### Regulations

- 1.1 These Financial Regulations are made by the Board and are subject to the provisions of the Local Government Act 1972. They set out the working arrangements by which the Board gives effect to its statutory financial responsibilities.
- 1.2 These Financial Regulations apply to all areas of the Board's activities.
- 1.3 The Chief Officer is responsible for the observance of financial regulations and for the training of staff to enable them to comply with these Regulations.
- 1.4 New proposals to the Board and Executive Committee must contain a financial appraisal setting out the full financial implications arising from the proposals contained within the report. The financial appraisal must be agreed with the Finance Officer.
- 1.5 The nature and format of all accounting procedures and financial records shall be determined by the Finance Officer.

### Responsibilities

- 1.6 The Finance Officer shall, for the purposes of Section 151 of the Local Government Act 1972, be responsible for the proper administration of the Board's financial affairs and report to the Board on the discharge of this responsibility.
- 1.7 The Finance Officer has a statutory responsibility for ensuring that adequate systems and procedures exist to account for all income due and expenditure disbursements made on behalf of the Board and that controls operate to protect the Board's assets from loss, waste, fraud or other impropriety. The Finance Officer shall discharge that responsibility in part by the issue and maintenance of Financial Instructions with which all staff of the Board shall comply.
- 1.8 The Chief Officer is individually responsible for the proper financial management of resources allocated through the budget-making process and for the identification of income arising from activities. This includes

the control of staff and the security, custody and management of assets including plant, equipment, buildings, materials, cash and stores relating to his/her service area.

The Chief Officer shall ensure that staff comply with the requirements contained in Financial Regulations and Financial Instructions.

- 1.9 The Finance Officer may delegate, in writing, certain of his responsibilities within Financial Regulations and Instructions to other staff, within agreed parameters.

## **2 ACCOUNTING POLICIES**

### **Preamble**

The Board's statement of accounts must be prepared in accordance with proper practices as set out in the format required by the Code of Practice on Local Authority Accounting: A Statement of Recommended Practice (SORP), for each financial year ending 31 March.

### **Regulations**

- 2.1 The Finance Officer is required to select and consistently apply appropriate accounting policies.
- 2.2 Any changes to accounting policies which may have a financial impact on the Board of more than £2,000 shall be reported to the Executive Committee by the Finance Officer.

## **3 ACCOUNTING RECORDS**

### **Preamble**

Maintaining proper accounting records is one of the ways in which the Board discharges its responsibility for stewardship of public resources.

### **Regulations**

- 3.1 The Finance Officer shall determine the accounting records to be maintained for the Board.

- 3.2 All accounts and records relating to the finances of the Board shall be open to inspection by the Finance Officer.

#### **4 ANNUAL STATEMENT OF ACCOUNTS**

##### **Preamble**

The Board has a duty to approve the annual statement of accounts that must fairly present its operations during the year.

##### **Regulations**

- 4.1 The Finance Officer has a duty to ensure that the annual statement of accounts is prepared in accordance with the Code of Practice on Local Authority Accounting: A Statement of Recommended Practice (SORP).
- 4.2 The Board is required to approve the annual statement of accounts within the laid down timetable set out in the Accounts and Audit (England) Regulations 2011.

#### **5 MEDIUM TERM REVENUE FORECAST**

##### **Preamble**

In order for the Board to be able to plan the development of services and the priorities for the allocation of resources between activities it needs to undertake medium-term financial planning.

##### **Regulations**

- 5.1 The Finance Officer shall prepare a medium term revenue forecast each year, in consultation with the Chief Officer, for submission to the Executive Committee.
- 5.2 The Finance Officer shall include the financial effects of all known commitments in the medium term revenue forecasts, together with any other proposals for changes to the level of existing activities, or for new activities.

#### **6 REVENUE BUDGET**

**Preamble**

The revenue budget provides an estimate of the annual income and expenditure requirements for all activities and sets out the financial implications of the Board's policies. It provides the Chief Officer with authority to incur expenditure and a basis on which to monitor the financial performance of the Board. These regulations seek to provide a consistent framework for the preparation and monitoring of the revenue budget.

**Regulations**

- 6.1 The Finance Officer shall prepare a draft revenue budget for the next financial year, in consultation with the Chief Officer, for submission to the Board and the appropriate Government department.
- 6.2 The Finance Officer shall specify the format of the revenue budget and the timing of reports, subject to any overriding requirements of the Board.
- 6.3 Expenditure may be incurred within the revenue budget approved by the Board in pursuance of the aims for which those budgets have been established, subject to any other requirements of the Board.
- 6.4 Throughout the year the Chief Officer shall monitor income and expenditure against budgets. The Finance Officer shall provide financial advice to assist the Chief Officer fulfil his responsibilities.
- 6.5 Budget monitoring statements, including a forecast for the full financial year, shall be submitted to the Board by the Finance Officer.
- 6.6 The Finance Officer shall report on the outturn of income and expenditure, to the Board, as soon as practicable after the end of the financial year.
- 6.7 If it appears that net expenditure will be in excess of the approved budget and the excess cannot be contained the Chief Officer shall at the earliest opportunity, following consultation with the Finance Officer, report the matter to the Board. If expenditure in excess of the approved budget is incurred due to an emergency, this emergency expenditure must be reported to the Board as soon as possible thereafter.

## 7 VIREMENT

### Preamble

Virement is a transfer of budget provision either within or between budget headings. It is an important facility to assist in managing budgets effectively within a cash limit. These regulations set out the authorisations required for virement to take place.

### Regulations

- 7.1 The Chief Officer shall ensure that virement is undertaken as necessary to maintain the accuracy of budget monitoring and inform the Finance Officer as soon as practicable.
- 7.2 Virements within approved revenue budgets may be agreed by the Chief Officer.
- 7.3 Virements between approved revenue budgets shall be authorised only by the Chief Officer.
- 7.4 The approval of the Board shall be required if the virement involves:
  - a spending outside the policy framework;
  - b an addition to commitments in future years beyond any agreed allocations;
  - c if the Finance Officer requires it.
- 7.5 Income received in excess of the budgeted amount may be spent. This can be achieved by a virement between income and expenditure budgets in accordance with the above regulations.

## 8 RESERVES

### Preamble

The general reserve is held as a contingency for unexpected future events. Reserves are also maintained for specific purposes where it is likely that a liability will arise.

### Regulations

- 8.1 Any additions or withdrawals from reserves are to be approved by the Executive Committee.
- 8.2 The Finance Officer is responsible for advising on prudent levels of reserves in accordance with the Local Government Act 2003, taking account of the views of external audit.
- 8.3 The Chief Officer and Finance Officer will review the reserves annually to determine the appropriate level required.

## 9 RISK MANAGEMENT AND INSURANCE

### Preamble

All organisations, whether private or public sector, face risks to people, property and continued operations. Processes need to be in place, therefore, to identify and manage such risks, including arranging external insurance cover where appropriate.

### Regulations

- 9.1 The Executive Committee shall approve arrangements for risk management and insurance, and shall review the effectiveness of risk management.
- 9.2 Within the overall policy determined by the Executive Committee, the Chief Officer shall affect and administer the risk management policies, including ensuring that:
  - procedures are in place to identify, assess, prevent or contain material known risks, and these procedures are operating effectively throughout the organisation;
  - a monitoring process is in place to review regularly the effectiveness of risk reduction strategies and the operation of these controls. The risk management process should be conducted on a continuing basis with any significant changes to the risk profile being reported to the Executive Committee;
  - staff know that they are responsible for managing relevant risks and are provided with relevant information on risk management initiatives; and
  - acceptable levels of risk are determined and insured against where appropriate;
  - the risk register should be presented to the Executive Committee annually, together with any risk mitigation.

- 9.3 The Chief Officer in conjunction with the Finance Officer shall effect insurance arrangements to mitigate risks where appropriate. The Chief Officer shall administer such insurance arrangements, including ensuring that procedures are in place to investigate claims within the required timescales.
- 9.4 Members of the Board and staff shall promptly notify the Chief Officer of:
- all new risks, of whatever nature, which require to be insured, indicating the scope and amount of cover required, together with variations in existing risks; and
  - any loss, liability or damage, or of any event likely to lead to a claim, either against the Board or in favour of it.
- 9.5 No member or officer shall admit liability to a claimant, or make any statement that could be construed as such, concerning a matter which is to be dealt with by insurers.

## 10 INTERNAL CONTROLS

### **Preamble**

The Board faces a wide range of financial, administrative and commercial risks, both from internal and external factors, which threaten the achievement of its objectives. Internal controls are necessary to manage these risks.

### **Regulations**

- 10.1 Internal control refers to the systems of control devised by management to help ensure the Board's objectives are achieved in a manner that promotes economical, efficient and effective use of resources and that the Board's assets and interests are safeguarded.
- 10.2 The Chief Officer, in conjunction with the Finance Officer, shall advise on and implement effective systems of internal control. These arrangements need to ensure compliance with all applicable statutes, regulations and other relevant statements of best practice. The systems should ensure that public funds are properly safeguarded and used economically, efficiently, and in accordance with the statutory and other authorities that govern their use.
- 10.2 The Finance Officer shall establish sound arrangements for planning, appraising, authorising and controlling financial operations in order to

achieve continuous improvement, economy, efficiency and effectiveness and for achieving financial performance targets.

## 11 INTERNAL AUDIT

### Preamble

The Accounts and Audit Regulations 1996, made under sections 23 and 35 of the Local Government Finance Act 1982, require the Board to maintain a continuous, adequate and effective internal audit of its accounts. The Board has delegated this responsibility to the “Responsible Financial Officer” (the Finance Officer). The following regulations provide the framework for this statutory duty to be discharged.

### Regulations

- 11.1 The Finance Officer shall maintain an adequate and effective internal audit of the activities of the Board. The Finance Officer’s representatives shall have authority to enter at all times on any premises or land used by the Board and to have access to all correspondence, documents, books or other records of any employee of the Board and appertaining in any way to the activities of the Board. The Finance Officer shall be entitled to require such explanation as he/she considers necessary to establish the correctness of any matter under examination. The Finance Officer shall have the authority to require any employee of the Board to produce cash, stores, or other Board property under his/her control.
- 11.2 The Finance Officer shall have regard to any relevant professional guidelines and any audit standards issued by the Auditing Practices Board of the Consultative Committee of Accountancy Bodies.
- 11.3 The Finance Officer and the Monitoring Officer shall be notified immediately by the Chief Officer of any financial irregularities or suspected irregularities, or any circumstances which may suggest the possibility of irregularities in the exercise of any of the Board’s functions. Such communication may be oral initially but must be confirmed promptly in writing. Where any allegation relates to the Chief Officer, the Chairman of the Board shall be informed immediately.
- 11.4 The Finance Officer shall determine the scope of any internal enquiries or investigations, subject to consultation with the Monitoring Officer and the Chief Officer.
- 11.5 The Finance Officer and the Monitoring Officer, in consultation with the Chief Officer, shall decide whether any matter under investigation



should be referred to the police and take recovery action as appropriate on such matters. The Finance Officer shall keep the Chairman of the Board informed of all cases of suspected fraud or other irregularity, of the action taken, the progress of any investigation and shall inform him of the outcome when the investigation is concluded.

- 11.6 The Chief Officer shall take steps to minimise the risks of financial irregularities occurring.

## 12 EXTERNAL AUDIT

### Preamble

External audit is a statutory function. The duties of the external auditor are governed by the Audit Commission Act 1988, the Local Government Act 1999, and the Code of Audit Practice.

### Regulations

- 12.1 The Smaller Authorities Audit Appointments Ltd are responsible for appointing external auditors to the Board. External auditors act in liaison with the Finance Officer and Chief Officer, and have full access to the internal auditors and to internal audit reports.
- 12.2 The Finance Officer shall ensure that external audit reports and the Annual Audit Letter are presented to the Board

## 13 TREASURY MANAGEMENT

### Preamble

The Finance Officer is responsible for the arrangements for managing the Board's cash flow, its borrowing activities and its lending activities, in accordance with policies agreed by the Board. This regulation places a duty on the Finance Officer to keep these arrangements under review.

### Regulations

- 13.1 The Finance Officer shall undertake Treasury Management activities in accordance with the CIPFA Code of Practice on Treasury Management in Local Authorities.

## 14 PAYMENT AUTHORISATION PROCEDURES

### Preamble

To ensure that payments are made only in respect of goods and services ordered legitimately on behalf of the Board, these regulations impose authorisation limits on staff and Board members.

### Regulations

- 14.1 Goods and services shall be ordered in accordance with the following arrangements and authorisations.

If expenditure is within the agreed budget and/or within funded project budgets, the following applies.

Value of Order	Quotation Requirements	Authorised Personnel
Up to £2000	Best endeavors to seek value for money	Budgetholders
£2000 - £15000	Three quotations	Budgetholder and line manager
£15,000 - £50,000	Three written quotations	Chief Officer & Finance Officer
Over 50,000	Three written quotations/tenders	Chief Officer & Chair (or vice chair)

For expenditure which changes the approved 'bottom line' by more than £5000, additional approval must be sought from the Chair or Vice Chair.

- 14.2 There are occasionally exceptional reasons why its is not feasible to get multiple quotations e.g. a local authority partner has an approved contractor, a contractors' knowledge/experience is highly specialist. In these situations, the Chief Officer can approve an exception but the budgetholder should make a note on file of the reasons in case an auditor wishes to review it.

The same person shall not authorise for payment any item for which he or she has placed the order.

- 14.3 Payment authorisation shall be carried out in accordance with the following limits, where expenditure is within agreed budgets.

<b>Board Member / Officer</b>	<b>Authorisation Limit</b>
Chairman	Single signature up to £10,000 Co-signature with Chief Officer or Vice Chairman up to £50,000, or above where authorised by the Board by resolution for specified items
Vice Chairman	Single signature up to £10,000 Co-signature with Chief Officer or Chairman up to £50,000, or above where authorised by the Board for specified items
Chief Officer / Finance Officer	Single signature up to £10,000 Co-signature with Chairman or Vice Chairman up to £50,000, or above where authorised by the Executive Committee for specified items
Senior Officers Project Managers	Single signature up to £2,000 Co-signature with line manager up to £5,000
Administrative Officer	Single signature up to £500 Co-signature another budgetholder up to £2000

## **GLOSSARY**

### **Board**

*This term is used to describe the Chilterns Conservation Board.*

### **Budget Head**

*The term Budget Head is used in these Regulations to describe the lowest level of subjective analysis of budget approved by the Board in the annual budget report or any revisions subsequently made to the budget by the Board.*

### **CIPFA**

*Chartered Institute of Public Finance and Accountancy.*

### **Finance Officer**

*This term is used to describe the officer with overall responsibility for the administration of the Board's financial affairs, as set out in Section 112 of the Local Government Finance Act 1988*

### **Virement**

*This is a technical term used to define the act of transferring resources from one Budget Head to another.*