

Meeting: Finance and Administration Committee

Date: 25th February 2025

Author: Town Clerk

Item for Consideration: Adoption of a Financial Management Strategy and consideration to matters related to Surplus Funds and Investments, Internal Audit, General Reserves, Insurance and Risk Management

1.0 Introduction

1.1 The town council has adopted a suite of policies to govern and manage its financial responsibilities. As a new council it is still developing its policies as it takes on greater responsibility and as its financial assets increase. The council has adopted Financial Regulations, a General and Earmarked Reserve Policy, a Procurement Policy, A community Grant Scheme Policy, a Contracts Register, an Asset Register and an Anti Fraud and Corruption Policy, as well as a scheme of financial delegation

1.2 The town clerk has developed the attached Financial Management Strategy that demonstrates how the council manages its responsibilities. Financial Regulations tells the council what it must do, the FMS is written specifically for Kingswood Town Council and states what it does or will be doing as it develops.

2.0 To adopt the Financial Management Strategy

2.1 The Financial Management Strategy is attached for consideration and a recommendation to full council that this is adopted. In preparing this report it has triggered the town clerk to undertake a review of several matters which are listed below for consideration, and are necessary for the council to complete its financial year-end activities.

3.0 Surplus funds and investments

3.1 The council, as it saves its funds to eventually acquire some assets, currently has surplus funds in its account, that should be invested to yield the council an income. As the clerk is not qualified to give financial advice, a request is made to seek financial advice from an organisation that is best placed to give advice. The clerk is aware that several councils use the services of Arlingclose to assist with their investments and would like to make an enquiry to see if they can provide appropriate advice to Kingswood Town Council.



If this is agreed the clerk will prepare a report for the next meeting and then for agreement by full council.

3.2 The risks of not taking any professional advice is that the council does not take full advantage of having surplus funds and a potential income. Further details can be found in this link: [Parish Councils - Services - Arlingclose](#)

3.3 At the same time the town clerk would like to also explore an investment with the CCLA (Churches, Charities and Local Authorities Investment Management Limited) which specifically invests funds from the town and parish sector. It has a number of funds and CCLA is willing to come to a future meeting to give a presentation about its Public Sector Deposit Fund, and its Local Authorities Property Fund, its CCLA Cautious Fund and its Better World Global Equity Fund. The Town Clerk has experience of working with CCLA to hold council funds, and CCLA currently holds £2.5bn on behalf of local authorities (over 1,200) , including several town and parish councils in the South Gloucestershire area.

3.4 For councillors to consider if they either have a presentation (to full council at a future meeting) or ask the town clerk to provide a more thorough report to this meeting without the need for a presentation from CCLA. A link to their fact sheets is here: [Here](#) and a link to their website is here: [Local authorities | CCLA](#)

4.0 Treasury Management Strategy

4.1 At the same time, the town clerk is developing a Treasury Management Strategy that will be presented at the next meeting, based on the funds that the council currently holds and where they are held, and for their duration.

5.0 Internal Audit

5.1 Kingswood Town Council has used the services of Tim Light Internal Audit Services for the past 2 years. Tim is retiring at the end of this financial year, and it will be necessary for the town clerk to seek quotes from a new internal auditor.

6.0 External Audit

6.1 To note that now the council is setting a precept in the band between £500,000 and £1 million that the audit fee will be £1,680, which is a fixed fee, set by the Smaller Authorities' Audit Appointments Ltd.

7.0 General Reserves

7.1 To note that the town council has agreed that the level of General Reserves that the council will hold are £210,000 at the 31st March 2026. It will achieve this by putting



underspends from the current financial into the reserves, with other underspends being placed into specific Earmarked Funds. A report will be brought to the next meeting after year end.

8.0 Insurance

8.1 The council has the following cover in place, but as its responsibilities and staffing team increases it is necessary to increase the amount of cover.

- Furniture and equipment,
- IT Equipment
- Civic Regalia
- Public Liability Insurance (this covers events under 2,000 visitors)
- Employers Liability Insurance
- Fidelity Insurance (funds held in bank accounts)
- Legal Expenses

8.2 The town clerk is requesting authority to increase the insurance on the IT Equipment and the Fidelity Insurance. This is related to the money that the council has deposited in the bank account and insures it against any fraud. On the advice of the internal auditor the cover needs to be increased from £50k and the clerk is seeking a quote for cover for £300,000 and £500,000.

8.3 In addition, the council is an annual policy with Zurich Municipal and the clerk would like authority to continue with Zurich Municipal into a third year, when the cover comes up for renewal in October 2025. To then seek quotes to enter into a three year contract with either the same company or a new company, based on factors at the time of seeking a quote. For a report to be presented at the appropriate time to this committee.

9.0 Asset Register

9.1 It is a requirement of Financial Regulations that the Asset Register is updated regularly and presented to the council on an annual basis for consideration and adoption. The Asset Register is presented at Appendix A for consideration.

10.0 Risk Management Strategy and Policy and Risk Register

10.1 The council has adopted both a Risk Management Strategy and Policy. The Policy is to ensure that the town council is aware of its risks. The Strategy provides the details on how it will manage those risks and covers roles and responsibilities and the monitoring of the risk register.



10.2 The Town Clerk must report to the Finance and Administration Committee on a half yearly basis to consider the Risk Register and on an annual basis to consider the Risk Management Strategy.

11.0 Recommendations:

11.1 To make a recommendation to the next full council meeting that the Financial Management Strategy be adopted

11.2 To consider if the council get independent investment advice from Arlingclose

11.3 To consider if the clerk should invite CCLA to give a presentation to full council at a future meeting on its funds and a potential place for a council deposit.

11.4 To delegate authority to the town clerk to seek quotes for a new internal auditor, for the new financial year

11.5 To delegate authority to the town clerk to increase the insurance cover on the IT equipment

11.6 To delegate authority to the town clerk to increase the fidelity guarantee insurance cover to at least £300,000

11.7 To delegate authority to the town clerk to continue with the current policy with Zurich Municipal for a third year at renewal time in June 2025, but to seek quotes from new insurance companies for 2026 and beyond, at the appropriate time.

11.8 To present the Risk Management Strategy for re-adoption

11.9 To present the Risk register for re-adoption.

11.10 To recommend to full council that the latest version of the Asset Register is adopted.



**KINGSWOOD
TOWN
COUNCIL**

Appendix A

Kingswood Town Council			
ASSET REGISTER			
Description	Date Acquired	Location	Asset Value excl VAT
Dell Vostro 3520 laptop	01/07/2023	Clerk's home office	£595.00
HP Printer 9012	01/03/2024	Clerk's home office	£139.16
Projector	01/05/2024	Clerk's home office	£261.00
Dell Latitude 3540 laptop	01/07/2024	Finance home office	£649.00
Dell Latitude 3540 laptop	01/07/2024	Community Engagement home office	£649.00
Gazebo - white	09/10/2024	Kingswood Park lock up	£126.03
Gazebo - green	09/10/2024	Kingswood Park lock up	£126.02
Gazebo legs	09/10/2024	Kingswood Park lock up	£57.00
Apple 10.9inch iPads x 9	05/09/2024	Councillors homes and staff homes	£4,357.21
Dell Latitude 3540 laptop	12/10/2024	Clerk's home office	£786.50