

PETERSFIELD TOWN COUNCIL

A meeting of the Petersfield Town Council was held via Zoom teleconferencing facility on Thursday 29th April 2021 at 6.30 pm

PRESENT: Cllr Mrs L Farrow (Town Mayor), Cllr P Bisset, Cllr P Clist, Cllr JC Crissey, Cllr J Deane, Cllr S Dewey, Cllr J Lees, Cllr C Paige, Cllr J Palmer and Cllr P Shaw

Also in attendance: Mr N Hitch (Town Clerk) and Mrs S Fisher (Committees Administrator). There were 4 members of the public and no press present

Members were informed that the meeting would be recorded and that the recording would be retained until the minutes of the meeting had been approved. There were no objections.

C 1573 TOWN MAYOR'S REMARKS

The Town Mayor welcomed everyone to the last meeting of the Council year and a minute's silence was held in memory of His Royal Highness Prince Philip.

C 1574 APOLOGIES FOR ABSENCE

Apologies for absence were received from Cllr J Matthews, County Cllrs R Mocatta and R Oppenheimer and District Councillors B Bentley, J Butler, M Gass and D McKinney.

C 1575 GRANTING OF DISPENSATION UNDER SECTION 33 OF THE LOCALISM ACT (2011)

There were no requests for dispensation.

C 1576 DECLARATIONS OF INTEREST

There were no declarations of interest.

C 1577 APPROVAL OF MINUTES

RESOLVED: that the minutes of the meeting held on 18th March 2021 be received and approved

C 1578 PUBLIC REPRESENTATION

There were no requests to speak.

C 1579 COUNTY COUNCILLORS' REPORTS

Members received the report from County Cllr R Oppenheimer (*see*

appendix A). A question was raised regarding the temporary barriers in the town centre and how much longer they would remain in place. They are ugly and unnecessary and there is significant public support for their removal. It would be useful to know when the outcome of the recent questionnaire on active travel will be made available. The Town Clerk will raise both points with Cllr R Oppenheimer.

C 1580 DISTRICT COUNCILLORS' REPORTS

Members received the District Councillor's report (*see appendix B*). A comment was made about how confusing it was for the public to have been asked to respond to 2 very similar questionnaires in a short space of time regarding active travel.

C 1581 TOWN CLERK'S REPORT

Members received and noted the Town Clerk's report (*see appendix C*).

C 1582 COMMITTEE REPORTS

(a) Planning Committee

RESOLVED that the Minutes of the Planning Committee held on 6th and 27th April were received

(b) Finance and General Purposes Committee

RESOLVED that the Minutes of the Finance and General Purposes Committee held on 26th April were received

Finance and General Purposes Committee

**F1557 PRESENTATION FROM QODA CONSULTING
REGARDING THE ENERGY SURVEY FOR THE FESTIVAL HALL**

Qoda Consulting gave a similar presentation to the one given to the Finance and General Purposes Committee explaining the methodology, findings and suggested options in their report on an energy efficient retrofit of the Festival Hall (*see appendix D*). Members noted that whilst option 4, which was the unanimous recommendation from the Finance and General Purposes Committee, did not offer significant savings in terms of energy bills (due to the running costs for air source heat pumps), it did present the opportunity to achieve the status of being the first large public building to attain EnerPHit status. Other similar buildings in other countries had achieved this but none so far in Britain and Qoda is confident that the methodology has been tested on this scale. It was also a 'future proof' option as the building would be near carbon neutral before any legislation was passed requiring a reduction in emissions for public buildings. Qoda were thanked for their professional and thorough report and for their excellent presentations. Members voted unanimously in favour

of both recommendations from Finance and General Purposes and

RESOLVED that option 4 of the Qoda report and assessment of energy efficiency retrofit options for the Festival Hall be adopted for planning purposes for RIBA stage 3

RESOLVED that approval be given to the Projects Officer to continue to work with Qoda Consulting and to establish their proposal for further input to Foster Wilson Size architects for RIBA stage 3

F1563 CONTRACT STANDING ORDERS

The proposed amendments to the Contract Standing Orders (*Appendix E*) had been suggested by Hampshire County Council's Legal Department who had extensively reviewed the document in the light of Britain leaving the European Union.

RESOLVED that the proposed changes to the Contract Standing Orders are approved and that the document be reviewed again in April 2022

F1564 FINANCIAL REGULATIONS

RESOLVED that the proposed change to the Financial Regulations (*Appendix F*) be approved and that the document be reviewed again in April 2022

C 1583

ANNUAL MEETING OF THE COUNCIL

The Annual Meeting of the Council had been set for 20th May, however, the legislation permitting decision making Council meetings to be held remotely expires at midnight on 6th May. It was agreed that it did not seem safe to hold the Annual Meeting in a face to face setting and therefore members agreed to change the date to 6th May to allow the meeting to be held via Zoom.

C 1584

ANNUAL MEETING OF THE TOWN

Members agreed with the Annual Meeting of the Town going ahead on Wednesday 12th May at 7pm via Zoom (as no decision making would be required). The Town Mayor will present 2 types of awards: Mayor's awards and commendations to the organisations and members of the public who have helped during the pandemic. Members of the public may be asked to submit their questions in advance and the meeting will be publicised via the usual social media and local media channels.

C 1585 INTERNAL AUDITOR'S REPORT

Members received and noted the Internal Auditor's Report (*see appendix G*).

C 1586 ANNUAL GOVERNANCE STATEMENT

RESOLVED: that the Annual Governance Statement be approved and signed (*see appendix G*)

C 1587 ANNUAL ACCOUNTING STATEMENTS FOR 2020/201

RESOLVED: that the Annual Accounting Statements for 2020/21 be approved (*see appendix G*)

C 1588 DEDICATION OF THE ALLIES' STONE, WAR MEMORIAL ANNIVERSARY AND ANNIVERSARY OF THE ROYAL BRITISH LEGION

Members received and considered the report further outlining the plans for the event on 11th November (*see appendix H*). Further plans will be made when Churchers College have confirmed the number of their representatives who will attend. Members agreed with the outline proposal for the event.

C 1589 SCHEDULE OF PAYMENTS FOR MARCH 2021

RESOLVED: to approve schedule of payments for March 2021 (*see Appendix I*)

There being no further business, the meeting closed at 7.50 p.m.



COUNTY COUNCILLOR REPORT TO ALL PARISH COUNCILS IN PETERSFIELD HANGERS

1 APRIL 2021

1. Hampshire is included in Project Gigabit

I was pleased by the Government announcement on 19 March about Project Gigabit, in which Hampshire is included in Phase 1b (we are Lot 27). This is an “outside in” approach which aims to subsidise broadband delivery in the hardest to reach places. Building Digital UK (BDUK) will manage this £5bn process.

I was also pleased that the Government is planning to continue to work with Local Authorities on delivery. There had been some uncertainty as to whether the Government would deal directly with the telecoms industry. It is not yet completely clear to me how it is all going to work but I am working hard to find out. In the meantime, I include the relevant extract from the White Paper below:

“For these and subsequent procurements, we will be managing the Open Market Review and/or Public Review as centralised and scalable BDUK processes, working with local authorities and telecoms providers to build an accurate picture of commercial and subsidised gigabit build plans. From this, we will be able to assess procurement boundaries for Regional Supplier and Local Supplier contracts, and how best to time procurements.”

2. Community Champions programme

I would like to let you know about the Community Champions initiative. The new scheme, which was launched on 9 March, aims to tackle health inequalities by finding people who can help members of their community to pursue better, healthier lifestyles. This may involve supporting someone to give up smoking, take up exercise or eat more healthily, or encouraging someone to get more involved in local activities. Champions will get training, networking invitations and support.

I think it is especially welcome that the programme covers mental health as well as physical health. There is a focus on men's health and the funding comes from the Step by Step programme.

Anyone who might like to consider registering as a Community Champion can visit this web page for more information.

<https://www.hants.gov.uk/socialcareandhealth/publichealth/communitychampions>

3. New Campaign to encourage businesses to move to Hampshire

The campaign – 'Make Hampshire work for you' – has been devised by the County Council's Economic Development service, Business Hampshire, in collaboration with local authority partners, and invites London commuters to 'Work Smarter – Live Happier – Commute Closer'.

The COVID pandemic has transformed the way lots of people work, with many re-thinking the need for a long commute five days a week. In Hampshire, as we emerge out of lockdown and enter recovery, we are moving towards a greener and more digital working future. Offering satellite business offices in this way is just a first step to recognising our county as an even greater place to do business, in the light of the accelerating change arising from the pandemic and with all its existing advantages as a flagship green economic powerhouse and international gateway.

With support from Commercial Property specialists, the campaign showcases flexible office solutions across key locations in Hampshire including Basingstoke, Farnborough, Hart, East Hampshire and Winchester. Find out more at:

<https://businesshampshire.co.uk/land-property/satellite-offices>

4. South Downs Enterprise Partnership

Last month I mentioned the revamp of the South Downs Partnership (SDP) which is set to get a new Chair and a more prominent role. This month I would like to let you know about another new initiative: the South Downs Enterprise Partnership (SDEP). We must be careful not to confuse these two entities!

The SDEP is a business community for likeminded local economic and social enterprise partners who positively contribute to the National Park. It is our aspiration that the creation of a business community will strengthen the rural

economy, improve collaboration between SDNP businesses, promote stronger & shorter rural supply chains, promote a 'think and act locally' approach, promoting social responsibility & environmental sustainability, facilitate the positive contribution of SDNP businesses to meeting the challenge of climate change and compliment and add value to existing business support offered by our partners.

Priority sectors will be land-based, the visitor economy and food and drink producers. Networking events will be organised and other benefits include:

- 1) Association and Connection with the South Downs brand** – use of the South Downs logo and wording stating that they are 'accredited' Members of the South Downs
- 2) Marketing** - Widen marketing reach and benefit sales through the South Downs website, e-newsletters to the public and between Members, social Media platforms and through events
- 3) Business Skills** - Build business skills through workshops, seminars and information sharing.
- 4) Connection between Members** - Inspire collaboration & support with other businesses. Shorten and strengthen rural supply chains, and use of B2B platform
- 5) Access to evidence and research** – SDNPA hold useful research for businesses, i.e. Market Segmentation Report, Visitor Surveys

There will be no initial fees for participation in the SDEP. It is hoped that after four years there may be between 3-5 "corporate partners" who will contribute fees but these will probably be larger businesses such as vineyards.

If you or anyone you know would be interested to find out more or join, please contact: enterprise@southdowns.gov.uk

RUSSELL OPPENHEIMER
County Councillor for Petersfield Hangers

District Councillors report to Petersfield Town Council 29/04/2021

- **Elections 2021** - As you are all aware there are Elections County Council and Police and Crime Commissioner on 6th May 2021 here in Petersfield.
This has been like no other election, and East Hants are doing everything that they can to ensure the safety of everyone. At the polling stations arrangements are in place with hand sanitiser, social distancing measures and of course the requirement for everyone attending to wear a face covering. Electors are more than welcome to use their own pen or pencil whilst casting their vote. Polling booths will be cleaned regularly.
The Count will take place on the 7 May for the County Council and any By Elections that are taking place, then the PCC will follow on the 10 May. Opening of Postal Votes commenced on Monday 26th April. Once again, everything will be done with safety in mind for staff, and candidates.
- **Restart Grants** - More than 600 businesses will receive grants through the Restart grant and Additional Restrictions grant scheme from EHDC. We have emailed businesses that have already been receipt of grants in earlier rounds to invite them to apply with a special link to speed up the process for them. Also, any eligible businesses that have not previously applied for coronavirus related business grants can apply through our website. Applications for Restart grants will close on the 30 June 2021 and the Additional Restrictions grant applications will close on Monday 31 May 2021.
- **Have your say on the future of our High Streets** We have commissioned Heartflood to provide a Covid –19 Recovery Plan for the centres of focusing on Alton, Clanfield, Four Marks, Grayshott, Horndean, Liphook, Liss, Petersfield and Whitehill & Bordon. Heartflood are asking for views of local consumers and businesses to help shape the priority actions which will be recommended to the council. To complete the questionnaire, go to www.easthants.gov.uk/town-centres-recovery-plan-east-hampshire.
- **Free Rapid Test Kits** - Regular rapid coronavirus testing is now available to everyone. The easiest way now to get a free test kit is by going to your pharmacy. Due to the availability now in pharmacies, some of the local collection centres will be closing from the 29 April. Go to www.easthants.gov.uk/testing-without-symptoms for further information where you can collect free home test kits in your area. The Cottage at Penn's Place will be one of the centres that will be closing permanently.
- Dates for future EHDC Meetings/events coming up:
 - 29th April – Annual Council
 - 6th May – Elections 2021
 - 20th May – Planning Committee
- Just a reminder that everyone can sign up to receive EHDC email updates with the latest news at:
<https://public.govdelivery.com/accounts/UKEHDC/subscriber/new>

Ben Bentley
Petersfield causeway

Julie Butler
Petersfield Heath

Matthew Gass
Petersfield St Peters

David McKinney
Petersfield St Peters

Jamie Matthews
Petersfield Bell Hill



CLERKS REPORT

Members are reminded that the items within this report are provided for information only and are not available for debate. If it is considered that an item listed within the report should be debated fully by members, then it will be placed on the next appropriate Committee or Council agenda. Any member wanting clarification or further information on any aspect of items within the report, please contact me in advance of the meeting.

General Reading and Information

The following publications have been received and are available for members to read:

- ✳ South Downs News issued by the South Downs National Park Authority
- ✳ Clerks & Councils Direct magazine
- ✳ Local Council Review magazine issued by The National Association of Local Councils
- ✳ Enewsletter issued by Community First
- ✳ The Rural Bulletin issued by the Rural Services Network
- ✳ Newsletter for Local Authority Partners Issue number 20, 21, 22 and 23 from the Office for National Statistics Census 2021
- ✳ Monthly enewsletter issued by East Hampshire District Council
- ✳ Community Rail News issued by the East Hampshire Community Rail Partnership
- ✳ Monthly Newsletter March 2021 issued by The Campaign to Protect Rural England Hampshire Branch
- ✳ April Access Newsletter from Hampshire Rights of Way Countryside Service
- ✳ Your Crime Prevention Update issued by Hampshire Police Crime Prevention Team
- ✳ Petersfield Museum News
- ✳ Hampshire Views magazine issued by the Campaign to Protect Rural England
- ✳ Fieldwork Spring 2021 issued by the Campaign to Protect Rural England
- ✳ Countryside Voices Magazine Spring 2021 issued by the Campaign to Protect Rural England
- ✳ Discover our Countryside 2021 Members Guide issued by the Campaign to Protect Rural England

Other Information

- 1 All members need to be aware of their Disclosable Pecuniary Interest Forms and consider whether there have been any changes since it was last written. If there is a need for any change to be made please contact me and I will supply a fresh document for completion.
- 2 I have received confirmation from the South Downs National Park Authority that the Council's bid for Section 106 monies totalling £8,075 towards the new town centre heritage fingerposts has been approved. There is a condition that the fingerpost to be placed outside Lloyds Bank replaces one of the two that are already there to avoid street clutter.
- 3 Correspondence has been received from The Kings Arms and Petersfield Museum thanking the Council for the continued perennial grant funding for the new financial year.
- 4 Advice has been received from EHDC that their councillor grant scheme will once again be operative in the new financial year. Each councillor has a budget of £4,500 of which at least £1,000 must be allocated to environmental projects following the Climate Emergency declaration in 2019.
- 5 EHDC has announced details of its Supporting Communities Fund. It is a £1million grant fund launched by the Council in 2019 to support community groups and organisations in the district. Applications open on Thursday 1st April and close at 5pm on Monday 31st May 2021. Organisations can apply to this fund for both revenue (on-going) and capital (one-off) costs. For revenue applications the limit is £10,000 per annum (for up to 3 years) and for capital applications the maximum request is £25,000.

Neil Hitch
Town Clerk
22nd April 2021

QODA





Petersfield Festival Hall

Assessment of Energy Efficiency Retrofit Options

2657.R1



Revision Summary

Issue	Document prepared			Document checked		
	Name	Signature	Date	Name	Signature	Date
First	C. Hughes		01.04.21	J. Callow		01.04.21
Second	C. Hughes		06.04.21	J. Callow		06.04.21



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1 Executive Summary

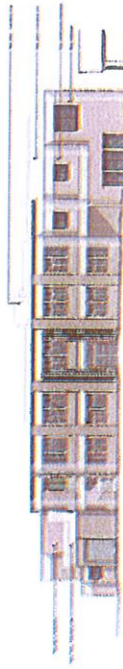
This report details the energy modelling analysis undertaken by QODA Consulting on the Petersfield Festival Hall. The aim of the report is to allow Petersfield Town Council to make an informed decision on the extent of retrofit measures implemented, and how they will interact with new building elements and services.

The existing building has been modelled and the results compared to real-life utility bills to set an accurate benchmark for comparison.

Four improvement options were then modelled, with energy efficiency interventions varying from the minimum required by Building Regulations up to the Passivhaus Standard for retrofit, EnerPHit.

The analysis shows that more holistic interventions, those from Options 3 and 4, are required to have a realistic chance of achieving zero-carbon by 2035, the Council's stated aim. The building services, particularly the heating source, will also need to be upgraded to achieve this target, either now or during a future phase.

Based on the outcomes of the study, it is the opinion of the authors that the Council should pursue Option 4 with the appointed design team, and seek Salix funding to make this financially viable.



Proposed Elevation by Foster Wilson Architects

2 Purpose of Study

QODA Consulting were commissioned to carry out an energy study of the Petersfield Festival Hall. The building will undergo a thorough refurbishment and extension, so the Council wish to use this opportunity to improve its energy performance.

As part of the Petersfield Town Council Climate Emergency Strategy, the Council have committed to all council buildings being zero-carbon by 2035. The refurbishment and extension of the Festival Hall must therefore allow this to be achieved, either upon completion or following the implementation of a longer-term roadmap to zero-carbon outlined in this report.

The project is currently at RIBA Stage 3, where design proposals are being developed by the architect (Foster Wilson) and building services engineers (Skelly & Couch). The final design proposal will then be submitted for planning permission. The energy performance target of this proposal is currently undecided.

In addition to optimising the energy performance of new extensions and new building services, existing building elements will need to be upgraded. Without an analysis that quantifies the benefits of different measures it is difficult to decide on the best approach, so this energy study presents a number of options for consideration, quantifying both energy performance and lifetime carbon emissions. This will allow the Council and design team to select an option (or a combination of different options) to carry forward. Budgetary and other constraints will need to be considered, so indicative costs provided by the project Quantity Surveyor (Ainsleys) are included.

A "fabric-first" approach is widely regarded as the best way to achieve zero-carbon through a reduction in energy demand, and is therefore the focus of this report. The feasibility of achieving EnerPHit certification (Passivhaus for retrofit) is also assessed, as EnerPHit is the most advanced "fabric first" approach available.



Figure 1: Existing Roof

3 Background & Site Survey

The Petersfield Festival Hall was originally built in 1935. Since then, a number of extensions and refurbishments have been carried out, principally in the 1970s and 1980s to the East, West and North. The South façade is the original 1930s construction. Insulation has also been added in various places, making for a complex overall picture of energy demand.

Understanding of the existing building is crucial to selecting appropriate upgrade recommendations. QODA therefore carried out a site survey on 8th March 2021 to gather information. The findings are detailed in Section 5 of this report.

Utility bills were also provided for the years 2017 and 2018, which give real-life energy consumption from both gas and electricity. Utility bills for areas of the building occupied by council tenants, the first floor of the northern side, were not available at the time of writing.

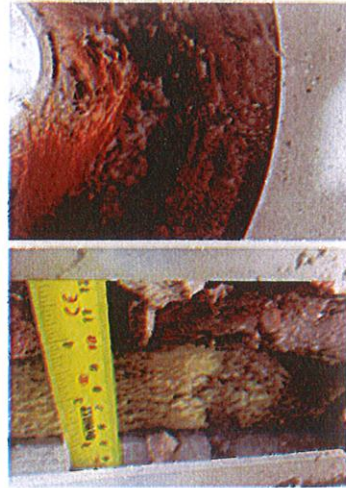


Figure 2: Existing masonry walls, 1930s (R) and others (L)



Figure 3: Existing 1930s Town Hall façade

4 Methodology

In order for the Council and Design Team to make an informed decision on energy efficiency improvements, energy modelling has been undertaken using Passivhaus Planning Package (PHPP) software. This software calculates a building's space heating demand in kWh/m²·year, given various input parameters such as construction types, insulation thicknesses, window specification and airtightness (the rate at which air leaks out of a building, the lower the better).

Firstly, the existing building was modelled in PHPP to provide a baseline for comparison. The modelled space heating demand of the existing building aligns closely with the real-life consumption data provided by utility bills.

Four versions of the proposed building were then also modelled in PHPP, forming Options 1 to 4. The geometry is based on the latest architectural drawings provided by Foster Wilson. The specification of each option is incrementally improved from Option 1 through to Option 4. Full details of the specifications, energy consumption, and lifetime carbon emissions are provided in Sections 6 to 9 of this report.

When combined with the assessment of capital costs and other constraints, such as likely planning requirements, the 4 options provide sufficiently detailed information for a strategy to be selected and carried through to RIBA Stage 4.

An outline summary of the baseline and 4 improvement options is provided in Table 1, with details in the following sections of this report.

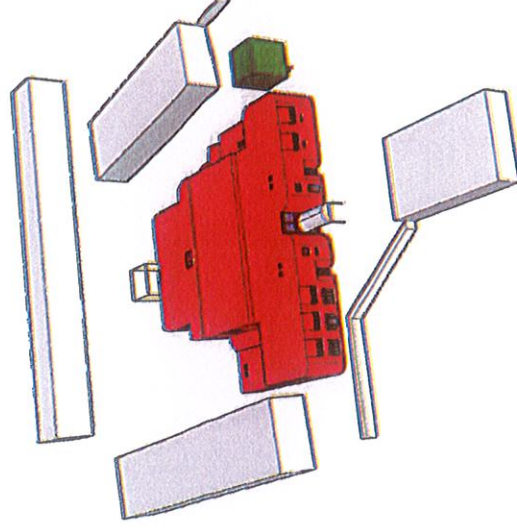


Figure 4: 3D representation of the existing site and shading objects

Baseline	<ul style="list-style-type: none"> Existing building specification 	
Option 1	<ul style="list-style-type: none"> Replacement of single glazing with double glazing Basic draught-proofing Predominantly natural ventilation 	<ul style="list-style-type: none"> New elements built to limiting U-values of Approved Document Part L2B Existing gas boilers retained
Option 2	<ul style="list-style-type: none"> Limited thickness of internal wall insulation to all existing walls Replacement of all windows with double glazing Predominantly natural ventilation 	<ul style="list-style-type: none"> Slightly improved performance of new elements Existing gas boilers retained
Option 3	<ul style="list-style-type: none"> External wall insulation to existing North and West facades Limited thickness of internal wall insulation to South façade (original 1930s) Replacement of all windows with triple glazing Mechanical ventilation with heat recovery throughout 	<ul style="list-style-type: none"> Additional insulation to all existing flat roofs Significant airtightness improvements Improved performance of new elements Incremental replacement of existing gas boilers with air source heat pumps
Option 4	<ul style="list-style-type: none"> External wall insulation to all existing facades Replacement of all windows with triple glazing Mechanical ventilation with heat recovery throughout Additional insulation to existing flat roofs 	<ul style="list-style-type: none"> Further airtightness improvements Insulation to existing ground floor slab Further improvement to new elements Gas boilers replaced with air source heat pumps

Table 1: Summary of proposals

5 Baseline – Existing Building

An analysis of utility bills and PHPP modelling have allowed an accurate picture of the existing building to be developed, for comparison with the subsequent improvement options.

5.1 Current Energy Consumption and Carbon Emissions

Gas and electricity bills provide detailed information on the current building performance. Due to the Covid-19 pandemic 2020 was an abnormal year, but complete data for both 2017 and 2018 was obtained.

The utility bill data is summarised in Appendix A using an average of 2017 and 2018. A monthly allowance for hot water use has been applied evenly throughout the year, assuming this is equivalent to the minimum monthly gas consumption when it is likely that no heating was used (July).

These utility bills do not include areas on the northern side of the first floor, occupied by Council tenants. The values are therefore normalised by the remaining treated floor area (TFA), 1566 m². As the energy model in section 5.2 does include these areas, those values are normalised by the total TFA, 1936 m².

Table 2 and Figure 5 show total energy consumption by end-use.

Table 2 also includes the existing 9.84 kWp solar photovoltaic (PV) system, which generates electricity for immediate use in the building or export to the National Grid. The average annual energy generation since installation in 2012 is therefore shown as a negative consumption. The second solar PV array has not been included as this serves the separate swimming pool.

It is clear that space heating makes up by far the biggest proportion of energy consumption (64%) and reducing this therefore represents the biggest opportunity for improvement. Given the usage of the building, it is also possible that the estimate of hot water consumption below is higher than is really the case, in which case the space heating demand is even larger than estimated, and potential savings even higher.

End-Use	Annual Energy Consumption (kWh)	Annual Energy Consumption (kWh/m ²)
Space Heating (gas)	168,500	108
Hot Water (gas)	18,000	11
Cooling (electricity)	7,000	4
Other Electricity (appliances, lighting, office equipment, small power etc)	69,500	44
Solar PV (electricity generation)	-9,500	-5

Table 2: Current energy consumption by end-use

Energy Consumption by End-Use (kWh)

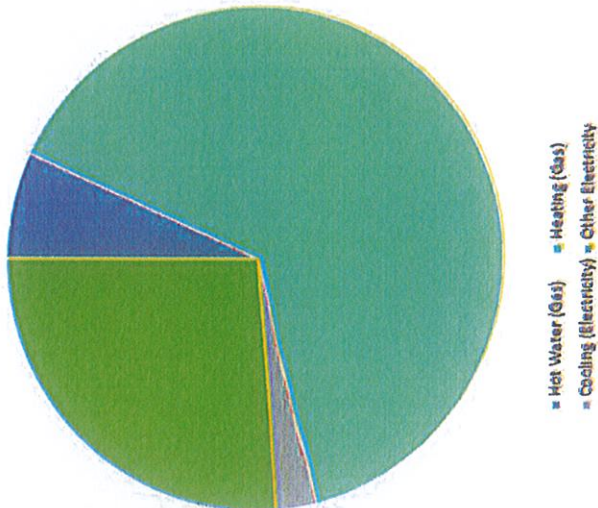


Figure 5: Current energy consumption

As a mixed-use building with variable occupancy, it is difficult to directly compare current consumption against industry standard benchmarks. However, the CIBSE TM46 benchmarks do provide some insight into what might be expected.

Building	Gas Consumption (kWh/m ² .year)	Electricity Consumption (kWh/m ² .year)
Petersfield Festival Hall	119	48
Office	120	95
Entertainment Hall	420	150
Public buildings with light usage	105	20

Table 3: Comparison of energy consumption with CIBSE TM46 benchmarks

Gas consumption aligns well with what would be expected from a typical office or lightly used public building. It is significantly lower than what would be expected in an Entertainment Hall, but this is almost certainly explained by infrequent use compared to a professional theatre with performances every day of the week.

Electrical consumption is lower than a typical office, probably due to low occupant density in the spacious Town Hall. It is also lower than the consumption expected in an Entertainment Hall for the reason described above, but is higher than a public building because of its use as an office space.

It is possible to calculate the building's current carbon dioxide emissions using emissions factors for each fuel type. These emissions factors can vary over time, so values over the next 60 years (until 2080) have been taken from the Treasury Green Book.

Broadly speaking, carbon emissions as a result of combustion of fossil fuels (gas in this case) will remain the same over time. However, carbon emissions arising from the use of electricity are shrinking quickly due to decarbonisation of the National Grid thanks to large-scale renewable energy production.

The solar PV system on the existing roof can be used to offset carbon emissions. For the purposes of this analysis, it is assumed that the existing solar PV system will be maintained or replaced over the next 60 years, although it is recognised that as technology evolves the output may well change.

Fuel Type	2021 CO ₂ Emissions (tonnes CO ₂)	Average Annual CO ₂ Emissions 2021-2080 (tonnes CO ₂)	Total Annual CO ₂ Emissions 2021-2080 (tonnes CO ₂)
Gas	34.3	36.1	2,167
Electricity	8.7	3.3	201
Existing Solar PV	-1.1	-0.4	-25
TOTAL	41.9	39.0	2,343

Table 4: Carbon emissions summary

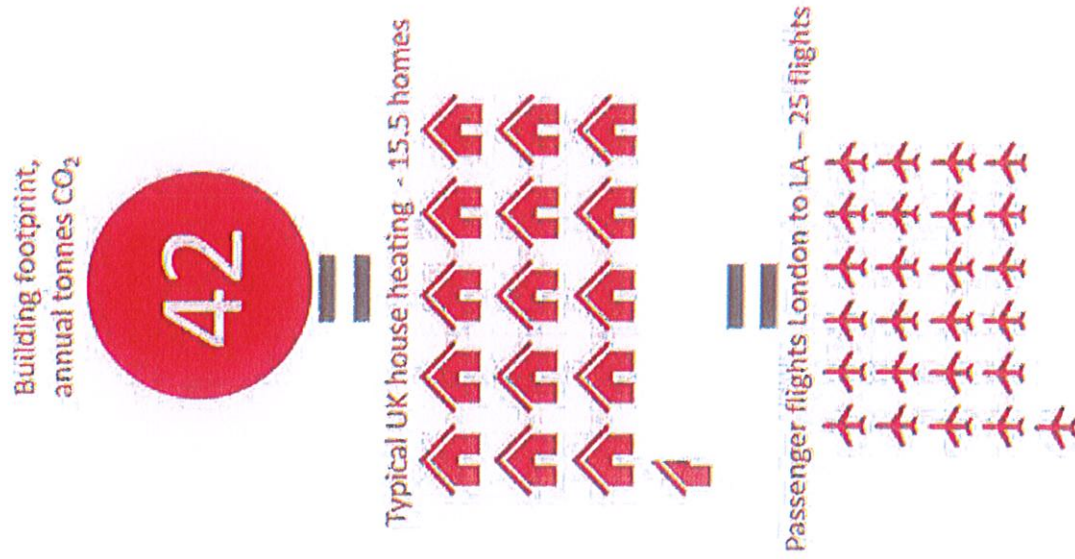


Figure 6: Current 2021 equivalent CO₂ emissions

5.2 Baseline Energy Model

In addition to the analysis of real-life consumption data, an energy model of the existing building was produced with PHPP software. Comparing the modelled space heating demand with the actual value allows accurate calibration of the model, providing confidence in the results obtained.

This section describes the parameters used in the baseline energy model.



Figure 7: Existing eastern facade



Figure 8: Existing masonry and single-glazed window

5.2.2 Building Fabric

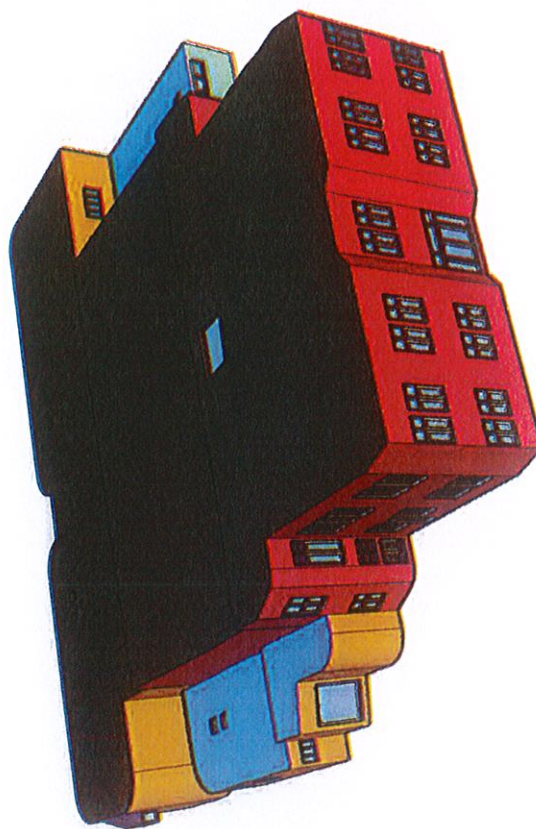
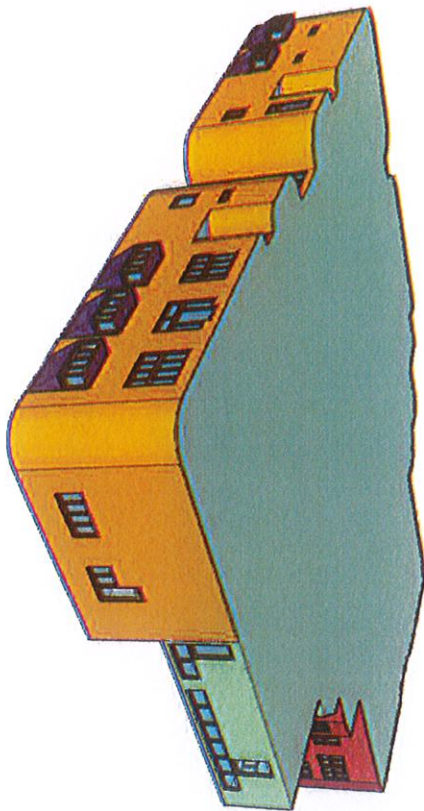


Figure 9: 3D representation of the existing building, colour coded to Table 5

Element	Colour	Description
Existing Walls – Original 1930s		Masonry cavity wall with approximately 70mm of insulation installed in the early 2000s. See right hand image in Figure 2. Insulation type – unknown Assumed insulation thermal conductivity and thickness – 0.07 W/mK, 70mm U-value = 0.65 W/m ² K
Existing Walls - Other		Masonry cavity wall with approximately 70mm of insulation installed before the early 2000s. See left hand image in Figure 2. Insulation type – cellulose (assumed) Assumed insulation thermal conductivity and thickness – 0.045 W/mK, 70mm U-value = 0.49 W/m ² K
Existing Walls – ‘Portakabin’		Assumed to be lightweight timber structure with timber external finish and no insulation. U-value = 1.49 W/m ² K
Existing Walls - ‘Dormers’ (North and West Facades)		Assumed to be lightweight timber structure with timber external finish and no insulation. U-value = 1.49 W/m ² K
Existing Roofs – Insulated 2011		Concrete slab with 100mm insulation installed in 2011 and a felt finish. Insulation type – PIR Assumed insulation thermal conductivity and thickness – 0.022 W/mK, 100mm U-value = 0.21 W/m ² K (note: significant numbers of penetrations and thermal bridges observed)
Existing Roofs – Not Insulated		Concrete slab with no insulation and a felt finish. U-value = 4.05 W/m ² K
Existing Ground Floor		Solid concrete slab with no insulation. U-value = 2.68 W/m ² K Note that this U-value does not include the helpful insulating effect of the ground adjacent to the floor cassette, which reduces in-situ heat loss compared to other building elements.

Table 5: Existing building fabric specification

5.2.3 Other Parameters

A number of other parameters contribute to the final space heating demand.

Element	Description
Windows – 1930s façade	Double glazing, thermal properties assumed to be: Ug-value (glazing) – 3.0 W/m ² K Uf-value (frame) - 3.0 W/m ² K g-value (solar gain) – 0.7 Spacer psi-value – 0.08 W/mK
Windows - Other	Single glazing, properties assumed to be: Ug-value (glazing) – 5.0 W/m ² K Uf-value (frame) - 2.0 W/m ² K g-value (solar gain) – 0.85
Airtightness	Assumed to be 6.5 ach @ 50Pa, equivalent to 12.0 m ³ /m ² hr.
Ventilation	Predominantly natural ventilation with a small amount of localised mechanical extract ventilation.
Thermal Bridging	As current levels of insulation are low, heat loss through thermal bridging will also be low. A small allowance has been made, totalling approximately 2% of overall heat loss from the building.
Heating Source	Heating is provided by 3 x gas boilers located in the plant room. Note that this does not have a direct impact on space heating demand, as it only informs how this demand is met.
Shading	Surrounding buildings and trees have been modelled to provide an accurate representation of shading during the heating and cooling seasons.
Internal Temperature	It is assumed that during the heating season a large proportion of the space is not heated. Assuming that offices and communal areas are occupied but others are not, a volume weighted internal temperature of 17.4°C has been calculated.

Table 6: Other parameters used in the baseline PHPP model

5.2.4 Results

The PHPP model of the baseline provides the total space heating demand for verification with the utility bills, as well as a breakdown of where heat is lost. The modelled space heating demand is 105 kWh/m².year, aligning closely with the real-life value of 108 kWh/m².year.

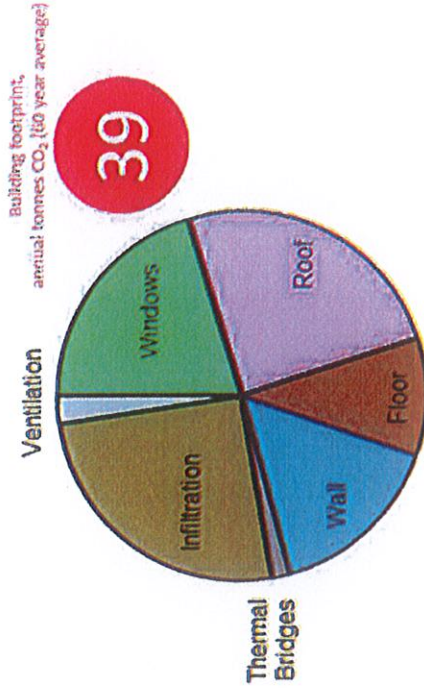
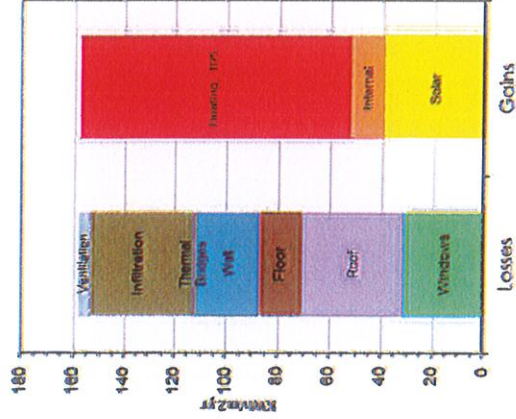


Figure 10: Breakdown of heat losses from existing building, and heat loss balance



6 Proposed Scheme

The proposed refurbishment and extension involves a new 2 storey extension to the East and a new entrance to the North. New windows will be provided to the North, West and East facades. The proposed scheme is shown in Figure 11, and can be compared to colours subsequent sections.

The treated floor area of the proposed scheme increases to 2128 m².

Indicative build-up drawings of proposed wall treatments are shown in Appendix B, with elevation drawings by Foster Wilson in Appendix C.

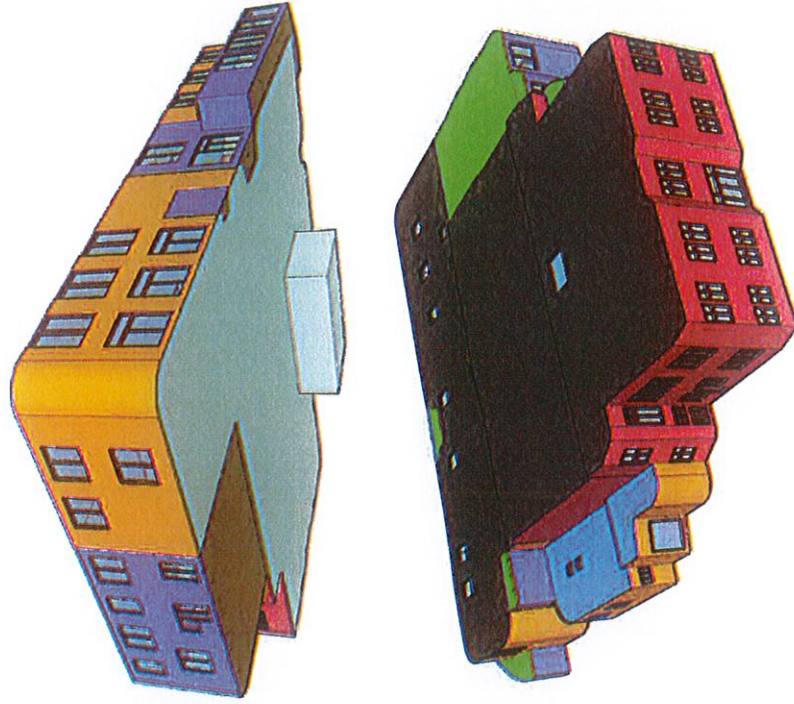


Figure 11: 3D representation of the proposed scheme

7 Option 1 – Energy Model

7.1 Building Fabric

Element	Colour	Description
Existing Walls – Original 1930s		Masonry cavity wall with approximately 70mm of insulation installed in the early 2000s. Insulation type – unknown Assumed insulation thermal conductivity and thickness – 0.07 W/mK, 70mm U-value = 0.65 W/m ² K
Existing Walls – Other		Masonry cavity wall with approximately 70mm of insulation installed before the early 2000s. Insulation type – cellulose (assumed) Assumed insulation thermal conductivity and thickness – 0.045 W/mK, 70mm U-value = 0.49 W/m ² K
New Walls		Construction type to be confirmed. Insulation type – mineral wool Assumed insulation thermal conductivity and thickness – 0.040 W/mK, 135mm U-value = 0.28 W/m ² K (this is the limiting value in Approved Document Part L2B)
Existing Roofs – Insulated 2011		Concrete slab with 100mm insulation installed in 2011 and a felt finish. Insulation type – PIR Assumed insulation thermal conductivity and thickness – 0.022 W/mK, 100mm U-value = 0.21 W/m ² K
Existing Roofs – Not Insulated		Concrete slab with no insulation and a felt finish. U-value = 4.05 W/m ² K

New Roofs	Construction type to be confirmed. Assumed insulation thermal conductivity and thickness – 0.022 W/mK, 120mm Insulation type – PIR U-value = 0.18 W/m ² K (this is the limiting value in Approved Document Part L2B)
Existing Ground Floor	Solid concrete slab with no insulation. U-value = 2.68 W/m ² K
New Ground Floors	Solid concrete with insulation below slab. Insulation type – PIR Assumed insulation thermal conductivity and thickness – 0.022 W/mK, 90mm U-value = 0.23 W/m ² K (this is the limiting value in Approved Document Part L2B)

Table 7: Option 1 building fabric specification

7.2 Other Parameters

A number of other parameters contribute to the final space heating demand.

Element	Description
Windows – 1930s façade	Double glazing, thermal properties assumed to be: U _g -value (glazing) – 3.0 W/m ² K U _f -value (frame) – 3.0 W/m ² K g-value (solar gain) – 0.7 Spacer psi-value – 0.08 W/mK
Windows - Other	Single glazing replaced with modern double glazing: U _g -value (glazing) – 1.2 W/m ² K U _f -value (frame) – 2.0 W/m ² K g-value (solar gain) – 0.7 Spacer psi-value – 0.04 W/mK
Airtightness	Assumed to be 5.0 ach @ 50Pa, equivalent to 9.6 m ³ /m ² hr. This improvement could be achieved through installation of new windows and a dedicated air barrier to new building elements.
Ventilation	Mechanical ventilation with heat recovery to some areas, with natural ventilation to others.
Thermal Bridging	As levels of insulation are low, heat loss through thermal bridging will also be low. A small allowance has been made, totalling approximately 3% of overall heat loss from the building.
Heating Source	Heating is provided by 3 x gas boilers located in the plant room. Note that this does not have a direct impact on space heating demand, as it only informs how this demand is met.
Shading	Surrounding buildings and trees have been modelled to provide an accurate representation of shading during the heating and cooling seasons.
Internal Temperature	It is assumed that during the heating season a large proportion of the space is not heated. A slightly increased internal temperature of 18.0°C has been used to represent improved comfort levels.

Table 8: Other Option 1 PHPP parameters

7.3 Results

The PHPP model of Option 1 provides the total space heating demand of the proposal, as well as a breakdown of where heat is lost. The modelled space heating demand is 66 kWh/m².year, a 37% reduction over the current building.

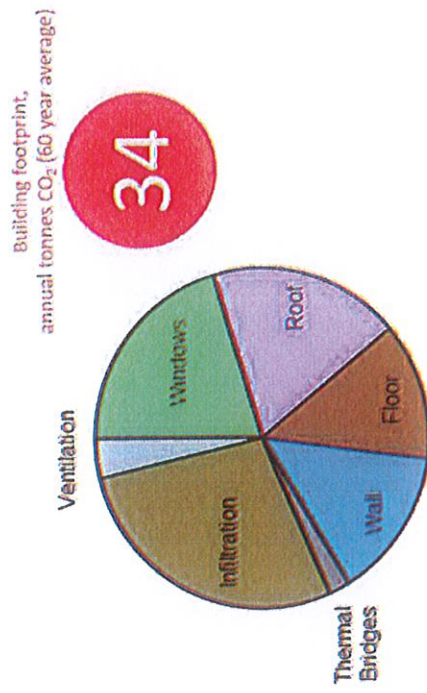
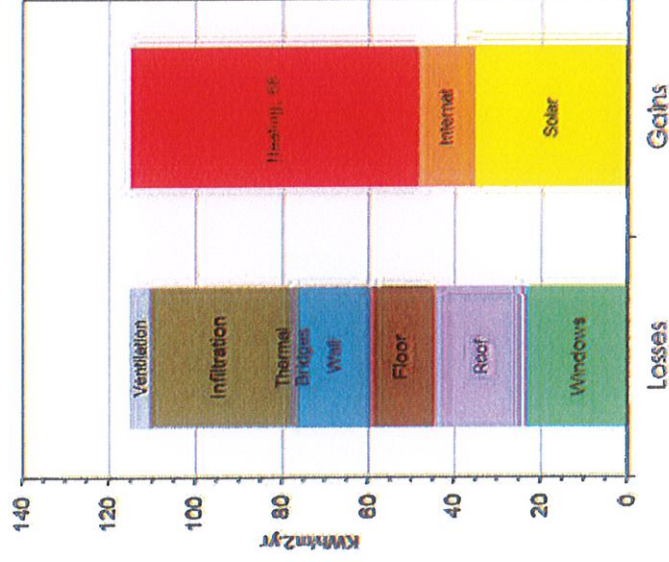


Figure 12: Breakdown of heat losses from existing building, heat loss balance, and CO₂ emissions



8 Option 2 – Energy Model

8.1 Building Fabric

Element	Colour	Description
Existing Walls – Original 1990s		Masonry cavity wall with approximately 70mm of insulation installed in the early 2000s, plus 40mm of new internal wall insulation. Insulation type – unknown, plus new woodfibre Assumed insulation thermal conductivity and thickness – 0.07 W/mK, 70mm, plus 0.04 W/mK, 40mm U-value = 0.40 W/m ² K
Existing Walls – Other		Masonry cavity wall with approximately 70mm of insulation installed before the early 2000s, plus 40mm of new internal wall insulation. Insulation type – cellulose (assumed), plus new woodfibre Assumed insulation thermal conductivity and thickness – 0.045 W/mK, 70mm, plus 0.04 W/mK, 40mm U-value = 0.33 W/m ² K
New Walls		Construction type to be confirmed. Insulation type – mineral wool Assumed insulation thermal conductivity and thickness – 0.040 W/mK, 150mm U-value = 0.26 W/m ² K
Existing Roofs – Insulated 2011		Concrete slab with 100mm insulation installed in 2011 and a felt finish. Insulation type – PIR Assumed insulation thermal conductivity and thickness – 0.022 W/mK, 100mm U-value = 0.21 W/m ² K
Existing Roofs – Not Insulated		Concrete slab with no insulation and a felt finish. U-value = 4.05 W/m ² K

New Roofs		Construction type to be confirmed. Insulation type – PIR Assumed insulation thermal conductivity and thickness – 0.022 W/mK, 150mm U-value = 0.14 W/m ² K
Existing Ground Floor		Solid concrete slab with no insulation. U-value = 2.68 W/m ² K
New Ground Floors		Solid concrete with insulation below slab. Insulation type – PIR Assumed insulation thermal conductivity and thickness – 0.022 W/mK, 120mm U-value = 0.18 W/m ² K

Table 9: Option 2 building fabric specification

8.2 Other Parameters

A number of other parameters contribute to the final space heating demand.

Element	Description
Windows – 1930s façade	Existing double glazing replaced with modern double glazing: U _g -value (glazing) – 1.2 W/m ² K U _f -value (frame) – 2.0 W/m ² K g-value (solar gain) – 0.7 Spacer psi-value – 0.04 W/mK
Windows - Other	Single glazing replaced with modern double glazing: U _g -value (glazing) – 1.2 W/m ² K U _f -value (frame) – 2.0 W/m ² K g-value (solar gain) – 0.7 Spacer psi-value – 0.04 W/mK
Airtightness	Assumed to be 3.0 ach @ 50Pa, equivalent to 5.8 m ³ /m ² hr. This improvement could be achieved through installation of new windows, a dedicated air barrier to new building elements and installation of new internal wall insulation.
Ventilation	Mechanical ventilation with heat recovery to some areas, with natural ventilation to others.
Thermal Bridging	As levels of insulation are still low, heat loss through thermal bridging will also be relatively low. An allowance has been made, totalling approximately 5% of overall heat loss from the building.
Heating Source	Heating is provided by 3 x gas boilers located in the plant room. Note that this does not have a direct impact on space heating demand, as it only informs how this demand is met.
Shading	Surrounding buildings and trees have been modelled to provide an accurate representation of shading during the heating and cooling seasons.
Internal Temperature	It is assumed that during the heating season a large proportion of the space is not heated. A slightly increased internal temperature of 18.5°C has been used to represent improved comfort levels.

Table 10: Other Option 2 PHPP parameters

8.3 Results

The PHPP model of Option 2 provides the total space heating demand of the proposal, as well as a breakdown of where heat is lost. The modelled space heating demand is 54 kWh/m²·year, a 49% reduction over the current building.

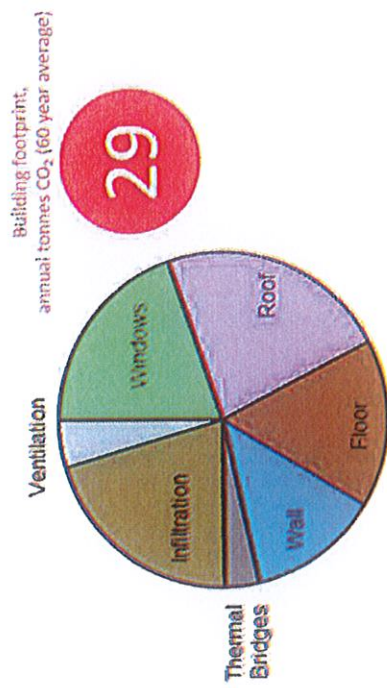
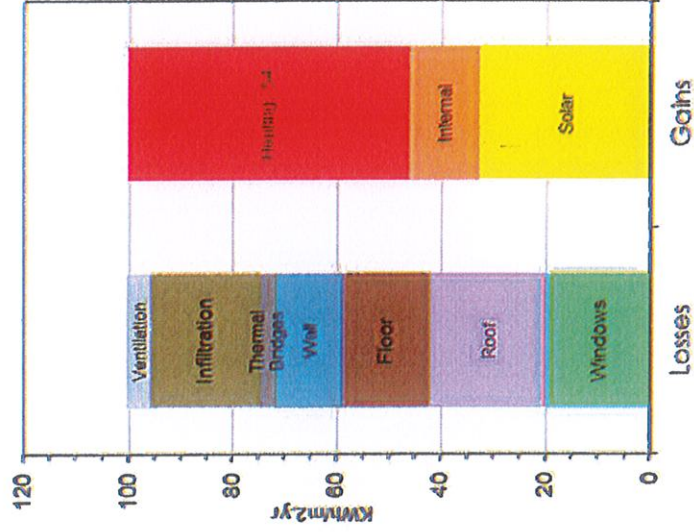


Figure 13: Breakdown of heat losses from existing building, heat loss balance, and CO₂ emissions



9 Option 3 – Energy Model

9.1 Building Fabric

Element	Colour	Description
Existing Walls – Original 1930s		<p>Masonry cavity wall with approximately 70mm of insulation installed in the early 2000s, plus 40mm of new internal wall insulation.</p> <p>Insulation type – unknown, plus new woodfibre</p> <p>Assumed insulation thermal conductivity and thickness – 0.07 W/mK, 70mm, plus 0.04 W/mK, 40mm</p> <p>U-value = 0.40 W/m²K</p>
Existing Walls – Other		<p>Masonry cavity wall with approximately 70mm of insulation installed before the early 2000s, plus 100mm of new external wall insulation.</p> <p>Insulation type – cellulose (assumed), plus new EPS external wall insulation</p> <p>Assumed insulation thermal conductivity and thickness – 0.045 W/mK, 70mm, plus 0.035 W/mK, 100mm</p> <p>U-value = 0.21 W/m²K</p>
New Walls		<p>Construction type to be confirmed.</p> <p>Insulation type – mineral wool</p> <p>Assumed insulation thermal conductivity and thickness – 0.040 W/mK, 200mm</p> <p>U-value = 0.19 W/m²K</p>
Existing Roofs – Insulated 2011		<p>Concrete slab with 100mm insulation installed in 2011 and a felt finish, plus 100mm of additional insulation</p> <p>Insulation type – PIR</p> <p>Assumed insulation thermal conductivity and thickness – 0.022 W/mK, 100mm, plus new 100mm</p> <p>U-value = 0.11 W/m²K</p>
Existing Roofs – Other		<p>Concrete slab with 200mm new insulation as above</p> <p>U-value = 0.11 W/m²K</p>

New Roofs	Construction type to be confirmed. Insulation type – PIR Assumed insulation thermal conductivity and thickness – 0.022 W/mK, 200mm U-value = 0.11 W/m ² K
Existing Ground Floor	Solid concrete slab with no insulation. U-value = 2.68 W/m ² K
New Ground Floors	Solid concrete with insulation below slab. Insulation type – PIR Assumed insulation thermal conductivity and thickness – 0.022 W/mK, 120mm U-value = 0.18 W/m ² K

Table 11: Option 3 building fabric specification

9.2 Other Parameters

A number of other parameters contribute to the final space heating demand.

Element	Description
Windows – 1930s facade	Existing double glazing replaced with modern triple glazing, of the Crittal type if required for conservation: Ug-value (glazing) – 1.0 W/m ² K Uf-value (frame) – 1.5 W/m ² K g-value (solar gain) – 0.6 Spacer psi-value – 0.04 W/mK
Windows - Other	Single glazing replaced with modern triple glazing: Ug-value (glazing) – 0.6 W/m ² K Uf-value (frame) – 1.0 W/m ² K g-value (solar gain) – 0.5 Spacer psi-value – 0.04 W/mK
Airtightness	Assumed to be 2.0 ach @ 50Pa, equivalent to 3.8 m ³ /m ² hr. This improvement could be achieved through installation of new windows, a dedicated air barrier to new building elements, installation of new wall insulation, and use of proprietary tapes and membranes where appropriate. Robust design and interim testing would also be required.
Ventilation	Mechanical ventilation with heat recovery throughout, with overall heat recovery efficiency of 87%
Thermal Bridging	As levels of insulation increase, so will heat loss through thermal bridging, particularly when using internal wall insulation. An allowance has been made, totalling approximately 12% of overall heat loss from the building.
Heating Source	It is now assumed that gas boilers will be incrementally replaced with air source heat pumps, with the demand split evenly between the two systems. This is for illustrative purposes, the exact proportions would depend on the details of the design.
Shading	Surrounding buildings and trees have been modelled to provide an accurate representation of shading during the heating and cooling seasons.
Internal Temperature	Increased levels of insulation will mean maintaining a comfortable temperature throughout the whole building becomes easier, so an industry standard internal temperature of 20°C has been used.

Table 12: Other Option 3 PHPP parameters

9.3 Results

The PHPP model of Option 3 provides the total space heating demand of the proposal, as well as a breakdown of where heat is lost. The modelled space heating demand is 39 kWh/m²·year, a 63% reduction over the current building.

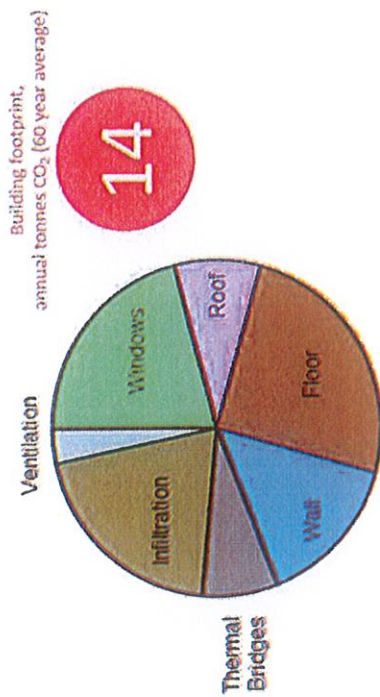
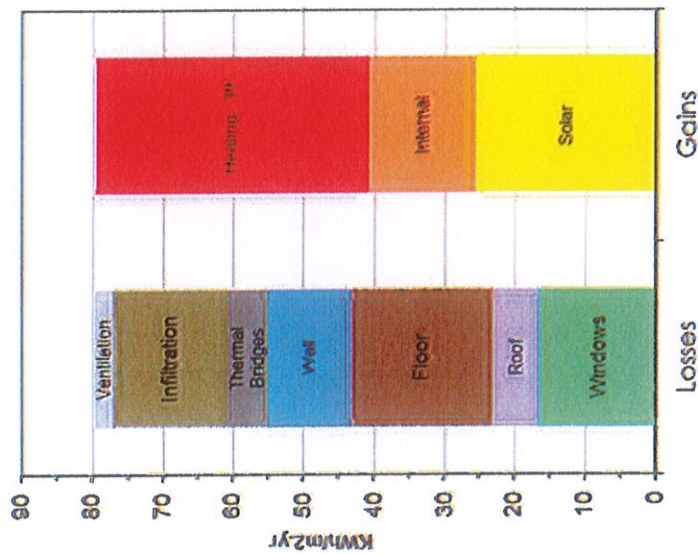


Figure 14: Breakdown of heat losses from existing building, heat loss balance, and CO₂ emissions



10 Option 4 – Energy Model

10.1 Building Fabric

Element	Colour	Description
Existing Walls – Original 1930s		Masonry cavity wall with approximately 70mm of insulation installed in the early 2000s, plus 120mm of new external wall insulation. Insulation type – unknown, plus new EPS external wall insulation Assumed insulation thermal conductivity and thickness – 0.07 W/mK, 70mm, plus 0.035 W/mK, 120mm U-value = 0.20 W/m ² K
Existing Walls – Other		Masonry cavity wall with approximately 70mm of insulation installed before the early 2000s, plus 120mm of new external wall insulation. Insulation type – cellulose (assumed), plus new EPS external wall insulation Assumed insulation thermal conductivity and thickness – 0.045 W/mK, 70mm, plus 0.035 W/mK, 120mm U-value = 0.18 W/m ² K
New Walls		Construction type to be confirmed. Insulation type – mineral wool Assumed insulation thermal conductivity and thickness – 0.040 W/mK, 200mm U-value = 0.19 W/m ² K
Existing Roofs – Insulated 2011		Concrete slab with 100mm insulation installed in 2011 and a felt finish, plus 100mm of additional insulation Insulation type – PIR Assumed insulation thermal conductivity and thickness – 0.022 W/mK, 100mm, plus new 100mm U-value = 0.11 W/m ² K
Existing Roofs – Other		Concrete slab with 200mm new insulation as above U-value = 0.11 W/m ² K

New Roofs	Construction type to be confirmed. Insulation type – PIR Assumed insulation thermal conductivity and thickness – 0.022 W/mK, 200mm U-value = 0.11 W/m ² K
Existing Ground Floor	Solid concrete slab with new insulation below slab. Insulation type – PIR Assumed insulation thermal conductivity and thickness – 0.022 W/mK, 120mm U-value = 0.18 W/m ² K
New Ground Floors	Solid concrete with insulation below slab. Insulation type – PIR Assumed insulation thermal conductivity and thickness – 0.022 W/mK, 120mm U-value = 0.18 W/m ² K

Table 13: Option 4 building fabric specification

10.2 Other Parameters

A number of other parameters contribute to the final space heating demand.

Element	Description
Windows – 1930s façade	Existing double glazing replaced with modern triple glazing, of the Crittal type if required for conservation: Ug-value (glazing) – 1.0 W/m ² K Uf-value (frame) – 1.5 W/m ² K g-value (solar gain) – 0.6 Spacer psi-value – 0.04 W/mK
Windows - Other	Single glazing replaced with modern triple glazing: Ug-value (glazing) – 0.6 W/m ² K Uf-value (frame) – 1.0 W/m ² K g-value (solar gain) – 0.5 Spacer psi-value – 0.04 W/mK
Airtightness	Assumed to be 1.0 ach @ 50Pa, equivalent to 1.9 m ³ /m ² hr. This improvement could be achieved through installation of new windows, a dedicated air barrier to new building elements, installation of new wall insulation, and use of proprietary tapes and membranes where appropriate. Robust design and interim testing would also be required.
Ventilation	Mechanical ventilation with heat recovery throughout, with overall heat recovery efficiency of 87%
Thermal Bridging	As levels of insulation increase, so will heat loss through thermal bridging. However, careful detailing of an external wall insulation system will reduce this. An allowance has been made, totalling approximately 7% of overall heat loss from the building.
Heating Source	It is now assumed that gas boilers will be fully replaced with air source heat pumps with an average CoP of 3.0.
Shading	Surrounding buildings and trees have been modelled to provide an accurate representation of shading during the heating and cooling seasons.
Internal Temperature	Increased levels of insulation will mean maintaining a comfortable temperature throughout the whole building becomes easier, so an industry standard internal temperature of 20°C has been used. This is also the temperature used for EnerPHit certification.

Table 14: Other Option 4 PHPP parameters

10.3 Results

The PHPP model of Option 4 provides the total space heating demand of the proposal, as well as a breakdown of where heat is lost. The modelled space heating demand is 20 kWh/m²-year, an 81% reduction over the current building. This building specification would achieve EnerPHit certification.

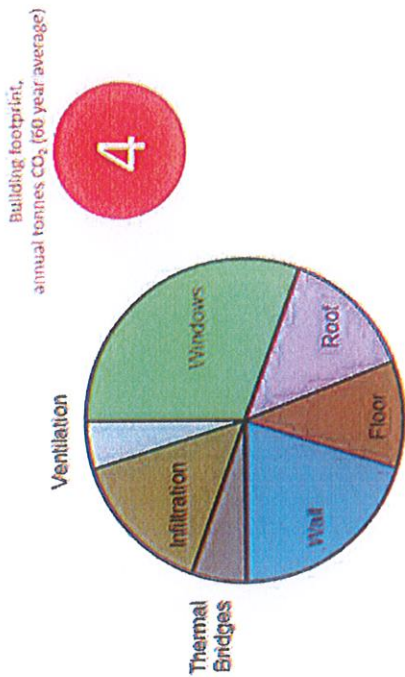
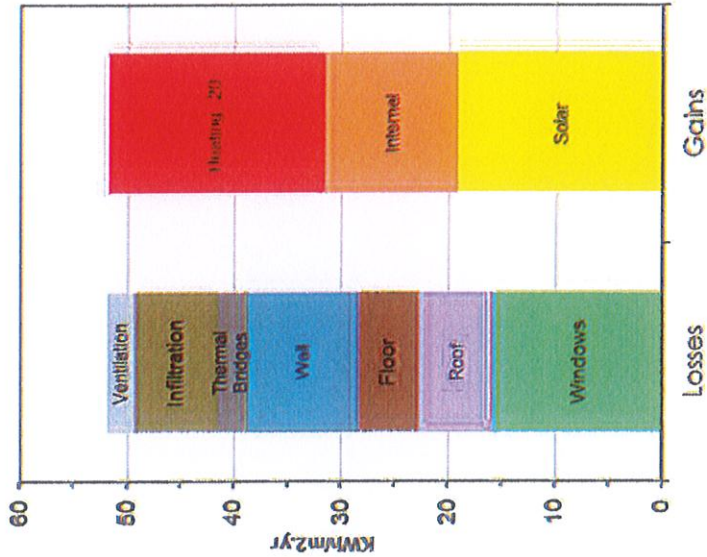


Figure 15: Breakdown of heat losses from existing building, heat loss balance, and CO₂ emissions

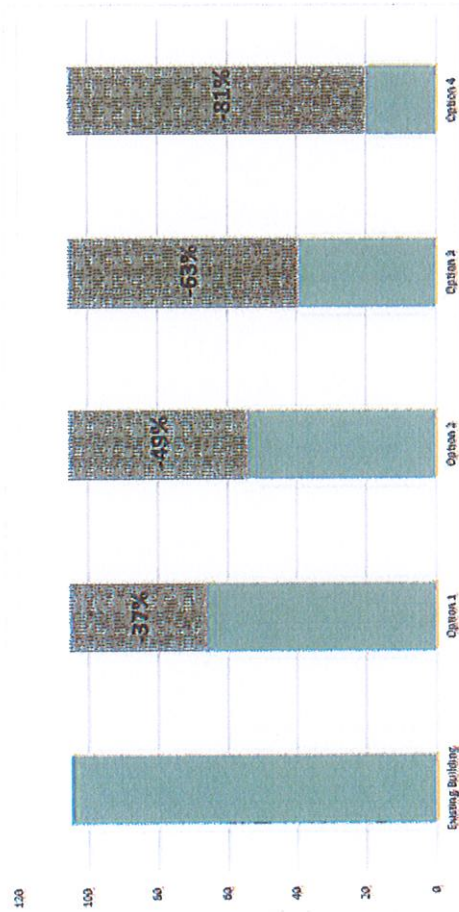


11 Summary of Results – Energy

11.1 Space Heating

The space heating demand decreases significantly from options 1 through to 4. This demand is independent of how the energy is supplied.

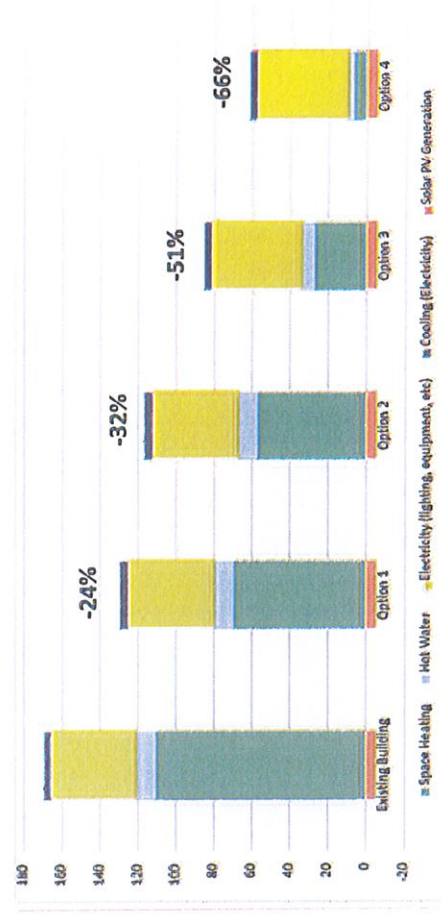
Figure 16: Space Heating Demand (kWh/m²·year)



11.2 Total Energy Consumption

Assuming energy demand for hot water and cooling remain constant, significant energy savings are still made. A gas boiler efficiency of 95% has been assumed, with an average heat pump CoP of 3.0 in options 3 (covering 50% of heating and hot water demand) and 4 (covering all heating and hot water demand). An allowance has also been made for slightly increased electricity consumption to account for new mechanical ventilation systems.

Figure 17: Total Energy Consumption (kWh/m²·year)



12 Summary of Results – Carbon Emissions

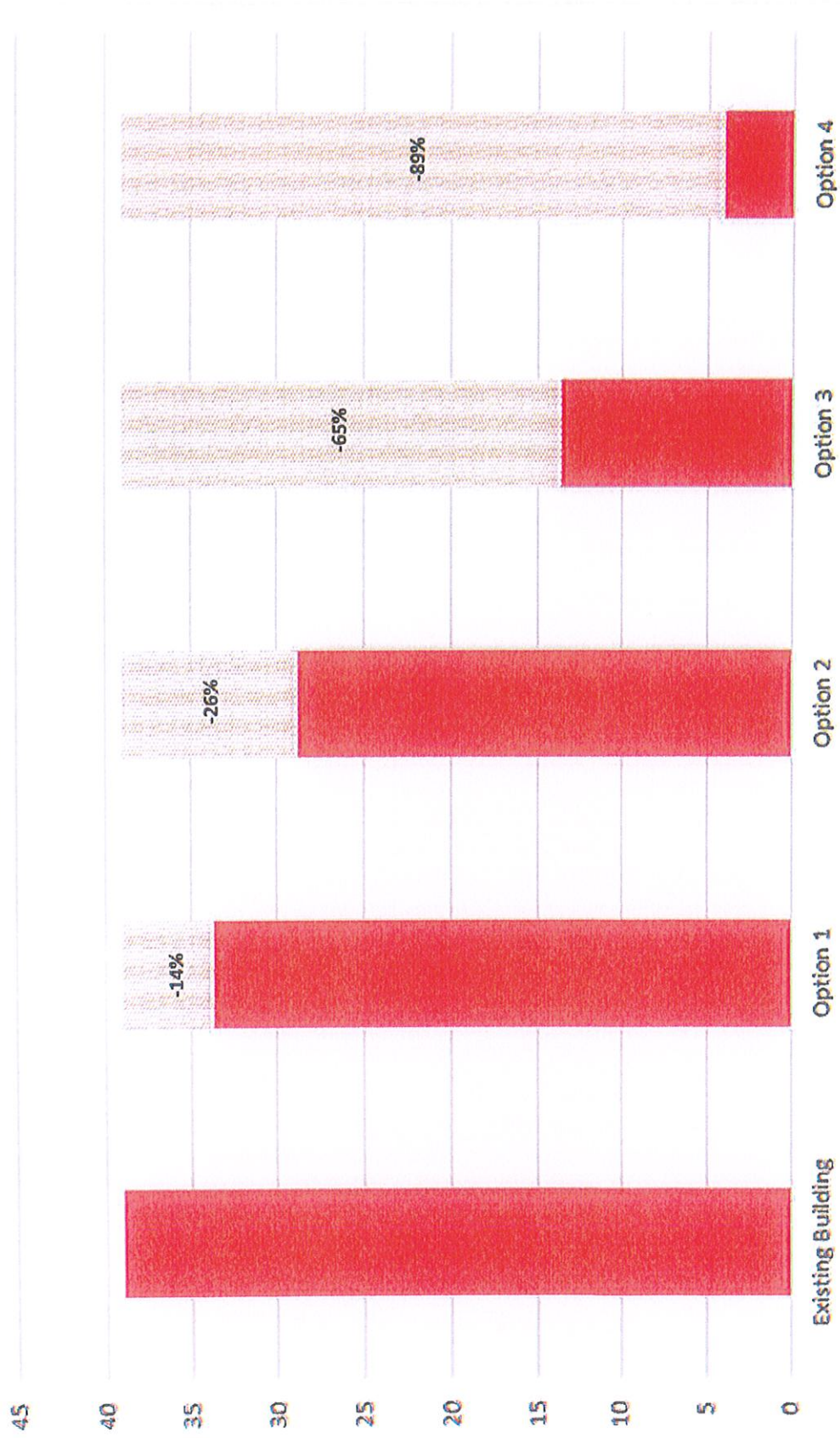
Using the Treasury Green Book it is possible to calculate CO₂ emissions over the next 60 years. Emissions from electricity will vary over time as the National Grid decarbonises, so the results are presented as the 60 year average.

An allowance for electrical energy consumption by new ventilation systems has been made. This is likely to be insignificant in Options 1 and 2, but will be larger in Options 3 and 4. For Options 3 and 4, an allowance of 7,000 kWh/year has been included, equivalent to 0.3 tonnes of CO₂ per year over 60 years.

	Average Annual CO ₂ Emissions – Gas for Heating and Hot Water 2021-2080 (tonnes CO ₂)	Average Annual CO ₂ Emissions – Electricity for Heating and Hot Water 2021-2080 (tonnes CO ₂)	Average Annual CO ₂ Emissions – Electricity for Lighting, Appliances, Pumps, Fans, etc 2021-2080 (tonnes CO ₂)	Average Annual CO ₂ Emissions Offset by Existing Solar PV System 2021-2080 (tonnes CO ₂)	TOTAL Average Annual CO ₂ Emissions 2021-2080 (tonnes CO ₂)
Existing Building	36.11	0	3.34	-0.42	39.0
Option 1	30.68	0	3.44	-0.42	33.7
Option 2	25.74	0	3.44	-0.42	28.8
Option 3	9.78	0.74	3.64	-0.42	13.7
Option 4	0	0.88	3.64	-0.42	4.1

Table 15: Average annual CO₂ emissions

Figure 18: Average CO₂ Emissions Over 60 Years (kWh/m².year)



13 Costs

13.1 Capital Costs

Capital cost estimates have been provided by the project OS, Ainsleys, and are presented below. Full details will be available in their package. The upgrade costs here are shown as an actual total, and then compared against Option 1, which is a minimum Part L Building Regulations compliant base case scenario given the wider extension, refurbishments and plan to replace many windows regardless of energy performance. Capital costs exclude VAT on the basis that this will not be paid or will be reclaimed. Costs could change as more detailed specifications are developed, and further discussion with Ainsleys will be required.

	Actual Capital Cost of Fabric and Ventilation Upgrades (£)	Actual Capital Cost of Air Source Heat Pump Upgrades (£)	TOTAL ACTUAL CAPITAL COST OF UPGRADES (£)	Capital Cost 'Over and Above' Option 1 (£)
Option 1	415,000	0	415,000	0
Option 2	565,000	0	565,000	150,000
Option 3	1,188,500	33,250	1,221,750	806,750
Option 4	1,354,500	55,500	1,410,000	995,000

Table 16: Estimated capital costs of energy efficiency upgrades.

13.2 Operational Costs

Using predicted energy prices in the Treasury Green Book Central Forecast, it is possible to estimate running costs over the next 60 years. These have been shown as annual costs for 2021 and 2080, as well as a total cost over 60 years.

In addition to actual fuel bills, emitting CO₂ has an implicit cost. The GLA (Greater London Authority) is currently charging £100/tonne of CO₂ emitted on construction projects. This is expected to rise gradually over time. Although the Petersfield Festival Hall will not be subject to these actual costs, it is fair that they be taken into account when considering energy efficiency upgrades, as carbon emissions have a costly societal impact. For the figures shown here, the cost of CO₂ is assumed to be £100/tonne in 2021, rising by 3% per year until reaching a cap of £500/tonne by 2076. Operational costs include VAT, as it is understood that this is paid by the Council on utility bills.

	Gas Cost 2021 (£/year)	Electricity Cost 2021 (£/year)	Carbon Cost 2021 (£/year)	Gas Cost 2080 (£/year)	Electricity Cost 2080 (£/year)	Carbon Cost 2080 (£/year)	Total Cost 2021 (£/year)	Total Cost 2080 (£/year)
Option 1	4,849	10,884	3,855	6,384	11,360	16,295	19,588	34,039
Option 2	4,067	10,884	3,361	5,355	11,360	13,875	18,312	30,590
Option 3	1,545	13,912	2,004	2,034	14,520	6,175	17,461	22,729
Option 4	0.00	14,377	1,064	0.00	15,005	1,330	15,441	16,335

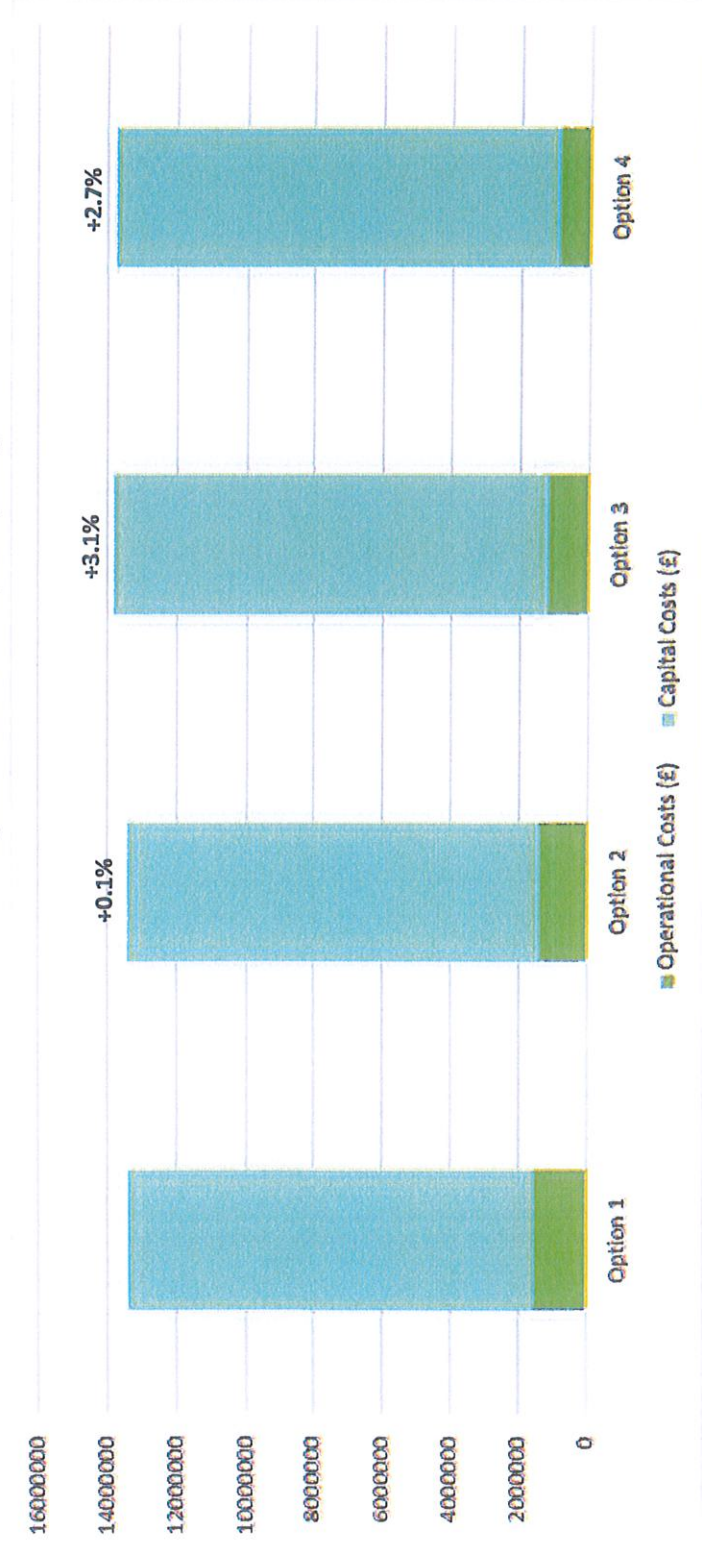
Table 17: Summary of annual operational costs in 2021 and 2080

Comparing total 60 year operational costs to the total capital costs of the scheme provides an estimate of whole-life costs.

	Total Capital Cost of Proposal (ex VAT) (£)	Total Operational Costs Over 60 years (inc VAT) (£)	TOTAL 60 year cost (£)
Option 1	11,781,000	1,600,142	13,381,142
Option 2	11,931,000	1,460,479	13,391,479
Option 3	12,587,750	1,210,482	13,798,232
Option 4	12,776,000	964,829	13,740,829

Table 18: Summary of whole life costs

Figure 19: Total 60 Year Costs Compared to Option 1 (£)



14 EnerPHit and Zero-Carbon

As part of their Climate Emergency Strategy, the Petersfield Town Council have committed to all council buildings being zero-carbon by 2035. It is unlikely that the Festival Hall will undergo significant works between now and then, so implementing measures that will allow this to be achieved is important now.

If zero-carbon status is not achieved immediately, a plan that will enable this to happen over the coming years should be mapped out.

14.1 EnerPHit

EnerPHit is the Passivhaus Building Standard for renovation of existing buildings. Developed in the 1990s, Passivhaus focuses on a “fabric-first” approach to minimise energy demand through use of insulation, airtightness, triple glazing, heat recovery ventilation, and thermal bridge free design. In addition to reducing energy demand, the EnerPHit Standard produces comfortable and healthy internal environments all year round. The Passivhaus modelling tool, PHPP, has been used throughout this report.

The EnerPHit Standard can be achieved independently of zero-carbon status, and does not place emphasis on how energy is delivered (e.g. whether through gas boilers or air source heat pumps).

However, a truly sustainable solution relies on significant energy demand reduction compared to current levels, so EnerPHit can be regarded as an important steppingstone to zero-carbon. Reliance on decarbonisation of energy supplies alone is not an approach that could be rolled out across the UK's existing building stock without placing unrealistic demands on infrastructure. Consequently, EnerPHit certification, or a similar approach, will be essential in achieving the Council's zero-carbon goal.

This report demonstrates that achieving EnerPHit certification of the Festival Hall is possible, given the specification described in Option 4. If the specification is too demanding, a step-by-step approach over the coming years could also achieve certification, or similar levels of performance. This is discussed in more detail in section 16.

If EnerPHit certification is targeted, important technical considerations would be:

- Confirmation of the approach to insulating existing external walls. Although Option 4 uses external wall insulation (EWI) throughout, a combination of different solutions could also achieve the necessary levels of performance.
- Ensuring that the ventilation design meets EnerPHit requirements, almost certainly using a Passivhaus certified air handling unit.
- Confirmation of the approach to insulating the existing ground floor. Although Option 4 assumes it would be insulated, it is recognised that this would be expensive and invasive. Vertical perimeter insulation would be sufficient instead, particularly if coupled with EWI, and if the performance of other elements are improved slightly.

- Whether there are any heritage/conservation requirements on windows, which could limit thermal performance.
- Development of a comprehensive whole-building airtightness strategy, necessary to achieve the stringent EnerPHit airtightness requirement.

14.2 Zero-Carbon

Alongside EnerPHit, an understanding of the feasibility of achieving zero-carbon should be developed. Zero-carbon is often ill-defined, as measurement can be complicated and confused by offsetting. It is recommended that the LETI (London Energy Transformation Initiative) definition of net-zero operational carbon be used where appropriate.

The Option 4 CO₂ emissions, assuming use of electric heat pumps throughout, are 4.1 tonnes per year. There would be various routes to this level of emissions by 2035, which would then need to be offset by renewable energy generation.

In addition to the existing 9.84 kWp solar PV system, it is estimated that 110 kWp of solar PV would be required to offset the average of 4.1 tonnes CO₂ per year. Solar PV technology evolves rapidly, but around 330 panels (1.6m x 1m) would be required. Approximately 80 of these could be accommodated on the roof space of the existing building, particularly if layout of rooflights and other services is rationalised.

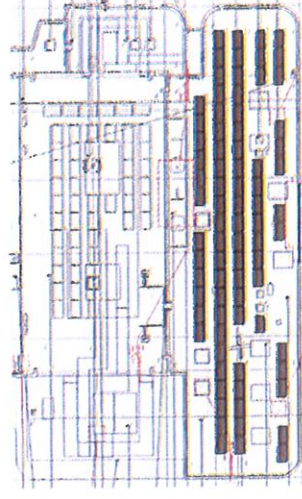


Figure 20: Indicative new solar PV layout (in grey)

The remaining carbon emissions would have to be offset by investment into off-site renewable energy capacity or a renewable energy Power Purchase Agreement (PPA).

It should be noted that the figures presented in Option 4 represent only one scenario, and could change significantly as detailed designs develop. Carbon emissions are strongly dependent on the building fabric performance and efficiency of heat pumps. If either were improved, carbon emissions would reduce significantly.

Measures such as low energy lighting, energy efficient appliances, and occupant behavior could also reduce electricity consumption, which makes up a significant proportion of total energy once space heating demand has been reduced.

If zero-carbon is not achieved during this phase of the project, certain items should be incorporated to make it an easily achievable goal by 2035:

QODA

- Avoiding "lock-in" of half-hearted building fabric upgrades. If it is likely that the building will not undergo another fabric refurbishment before 2035, any works undertaken now should be sufficient to enable future achievement of zero-carbon. Options 1 and 2 both incur undesirable lock-in upgrades.
- Heating emitters and infrastructure should be specified and sized appropriately to allow an easy and cost-effective switch to electric heat pumps at the appropriate time.
- Consideration should be given to whether it is more cost effective to install additional renewable energy generation (solar PV) now, while other roof works are being undertaken.

15 Other Considerations

In addition to energy and carbon savings, various other considerations should be included in the decision-making process.

15.1 Conservation and Planning Permission

It is recognised that planning and conservation constraints may be an important factor in deciding on the best approach, particularly regarding external wall insulation and replacement of windows.

A wide variety of finishes are available with external wall insulation, including brick-slips and render. Similarly, high performance triple glazing is available to suit a wide variety of contexts.

15.2 Moisture

Insulating existing walls should be done with caution, as it can have an impact on how moisture interacts with the building envelope.

External wall insulation is generally low-risk, as the insulation keeps the existing building warm and it is therefore less vulnerable to condensation.

Internal wall insulation is higher risk as application of the insulation makes the existing masonry colder than it was previously, and therefore more vulnerable to condensation and moisture damage. Use of mechanical ventilation to remove internal moisture is beneficial.

It was noticed during the site survey that there is some moisture ingress around the curved sections of the 1930s façade, suggesting that there is a pathway for moisture from outside to in. If internal wall insulation is applied to these areas, it is suggested that this pathway should be identified and eliminated as a priority. An overall assessment of the moisture implications of installing internal wall insulation should also be undertaken, taking into account internal and external conditions.

15.3 New-Build

It has been suggested that demolishing the entire existing Festival Hall and replacing it would be a possibility.

This would make achieving high levels of energy performance, and therefore zero-carbon, easier.

However, the embodied carbon associated with new construction materials is huge. This is the carbon “locked-in” to materials during extraction, manufacture, transport and construction, and is particularly significant in concrete and steel.

The carbon embodied in new materials and emitted during construction of a new Festival Hall would be equivalent to more than 30 years of operational carbon emissions of the existing building (or 300 years of the Option 4 operational emissions), so this is not a sensible option when considering carbon emissions in the round.

The existing single-storey western extension has a complex form which would be difficult to insulate. Demolition of this small area and replacement with a new extension could therefore be considered, particularly if the new extension also presented the opportunity for architectural and functional improvements.

16 Recommendations and Next Steps

This report has demonstrated that the extension and refurbishment of the Petersfield Festival Hall presents an opportunity to greatly reduce energy consumption and CO₂ emissions.

The options presented are not exhaustive, it is possible that the best solution will be a combination of measures from different options.

Planning and budgetary constraints will also be a factor, but the pros and cons of each option are shown in Table 19.

It is clear that Options 1 and 2 do not include sufficient building fabric performance upgrades to make zero carbon an achievable goal by 2035 without major future upgrades. If the Council wishes to achieve this goal without undertaking other major works before 2035, they should therefore not be pursued.

If financial and planning constraints are overcome, an approach similar to Option 4, including EnerPHit certification, would be the best way to achieve large energy savings and zero carbon, and is the recommendation of the authors.

If project constraints mean that this is not feasible, elements of Option 3 could be incorporated while still achieving significant energy savings, and zero carbon before 2035.

Although the capital costs of options 3 and 4 are relatively large, the quality of the final product will be superior to options 1 or 2. The EnerPHit Standard encourages high quality construction, and the internal environment will be comfortable all year round, in addition to the huge carbon savings.

It should be recognised that the building fabric performance of options 3 and 4 provides greater flexibility on potential upgrade of heating and hot water systems. Achieving zero-carbon is reliant on electrification of these systems with heat pumps. However, as the existing gas boilers are relatively new and working well, a phased and gradual approach to their replacement would be reasonable.

In order to enable progression into a planning application and RIBA Stage 4 design, the following steps should be taken:

- Expected planning and budgetary constraints should be defined. This may depend on success of a possible application to the SALIX fund.
- Following this, building fabric upgrades can be decided upon by the Council and their advisors. It is suggested that working back from Option 4 measures to match the budget would be a good approach.
- Once building fabric performance is well-defined, Skelly & Couch can design mechanical systems accordingly, providing a straightforward upgrade path to heat pumps as a minimum. Although air source heat pumps have been assumed throughout this report, ground source heat pumps could be an alternative possibility with a better coefficient of performance (CoP).

Although all values presented in this report are as accurate as possible, they will change as the architectural and building services designs are developed.

	PROS	CONS
Option 1	<ul style="list-style-type: none"> Existing façades largely retained Reduced requirement for new ventilation plant 14% CO₂ emission reduction over 60 years 	<ul style="list-style-type: none"> High levels of energy efficiency not achieved Zero-carbon not achievable without significant additional work before 2035
Option 2	<ul style="list-style-type: none"> Existing façades largely retained Reduced requirement for new ventilation plant 26% CO₂ emission reduction over 60 years 	<ul style="list-style-type: none"> High levels of energy efficiency not achieved Zero-carbon not achievable without significant additional work before 2035 Internal wall insulation detailing and moisture management can be difficult
Option 3	<ul style="list-style-type: none"> Existing 1930s façade largely retained 65% CO₂ emission reduction over 60 years High levels of energy efficiency are achieved Zero-carbon <i>could</i> be achievable by 2035 with an appropriate upgrade path 	<ul style="list-style-type: none"> Internal wall insulation detailing and moisture management can be difficult New ventilation plant will be spatially demanding Appropriate space for air source heat pump(s) required
Option 4	<ul style="list-style-type: none"> 89% CO₂ emission reduction over 60 years Zero-carbon would be achievable with suitable renewables EnerPHit certification achieved 	<ul style="list-style-type: none"> External treatment to all existing walls, including 1930s façade New ventilation plant will be spatially demanding Appropriate space for air source heat pump(s) required Invasive and high-cost ground floor insulation required (see comments in section 14.1)

Table 19: Summary of Pros and Cons

17 Appendix A

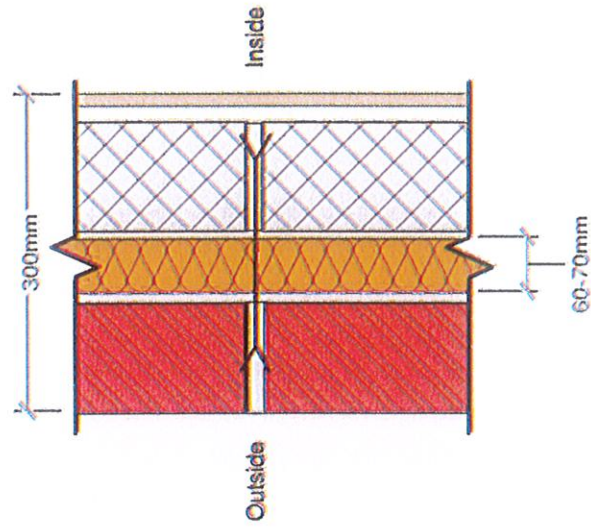
Summary of 2017 and 2018 energy consumption

Month	Heating (Gas, kWh)	Hot Water (Gas, kWh)	Cooling (Electricity, kWh)	Appliances, Lighting, Plug-Leads, etc (Electricity, kWh)
January	32,500	1,500	0	7,500
February	29,500	1,500	0	7,500
March	23,500	1,500	0	6,500
April	8,500	1,500	0	6,000
May	6,500	1,500	0	5,500
June	1,500	1,500	2,000	3,000
July	0	1,500	3,000	2,500
August	1,500	1,500	2,000	5,000
September	2,500	1,500	0	6,500
October	10,500	1,500	0	6,000
November	23,500	1,500	0	7,000
December	28,500	1,500	0	6,500
TOTAL (kWh)	168,500	18,000	7,000	69,500
TOTAL (kWh/m²)	108	11	4	44

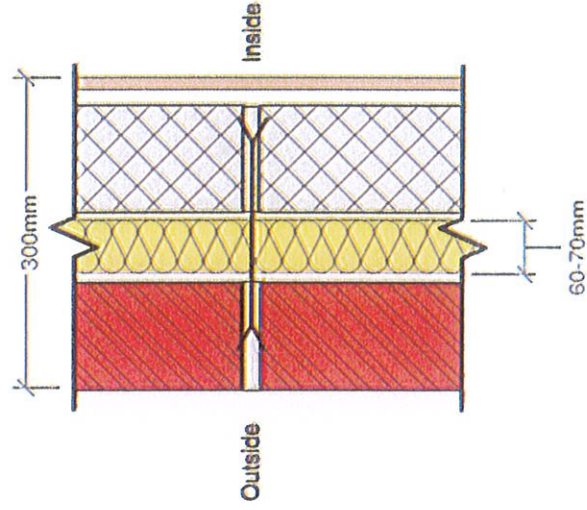
18 Appendix B

Indicative drawings of proposed wall build-ups.

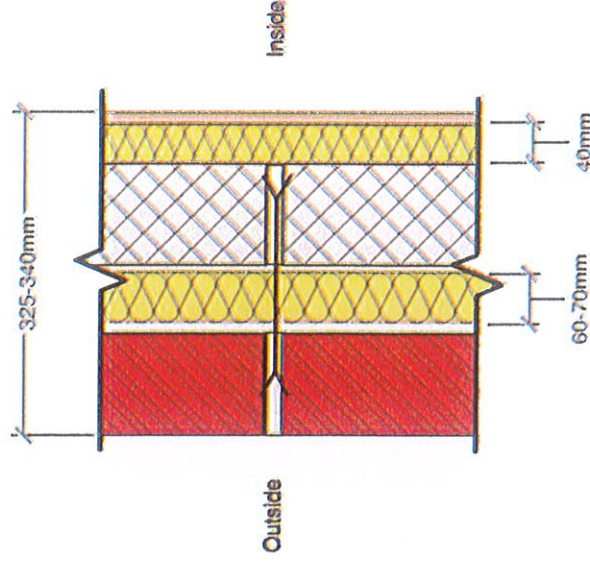
Existing Walls – 1930s façade



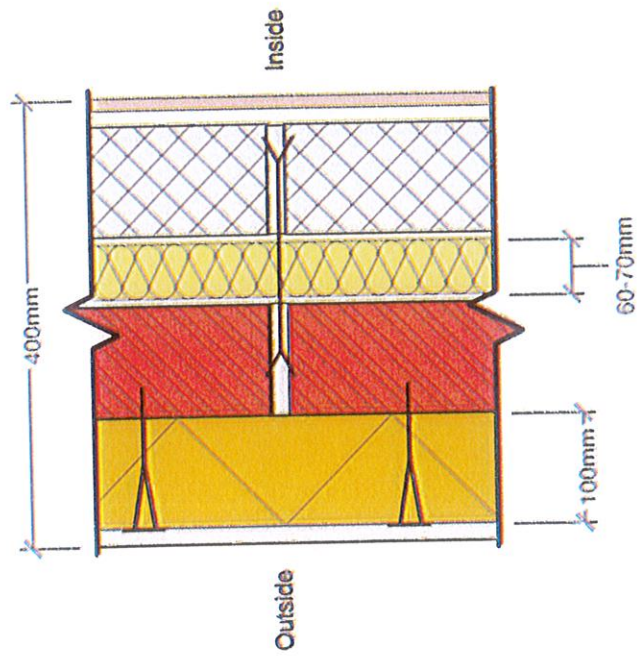
Existing Walls – Other Masonry



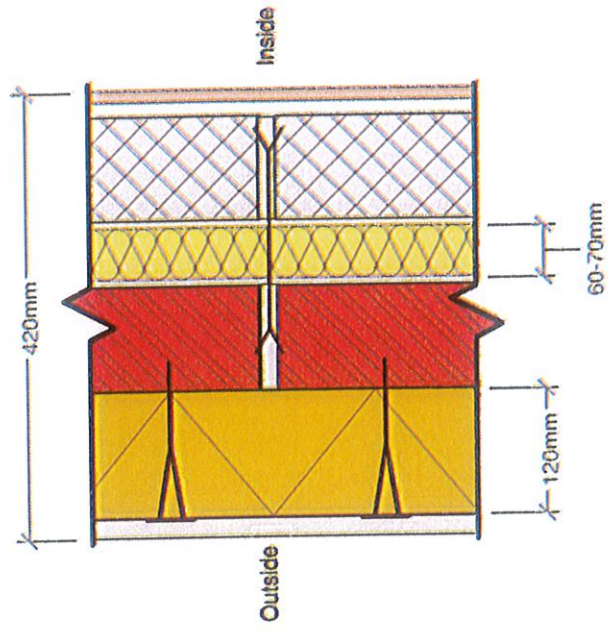
Upgraded Walls – Internal Wall Insulation



Upgraded Walls with 100mm External Wall Insulation



Upgraded Walls with 120mm External Wall Insulation





19 Appendix C

Elevation drawings showing approach to insulation

DRAWINGS BY FOSTER WILSON ARCHITECTS

Key

- Existing Double-Ended services not supported
- New Endpoints
- New Queue
- New Dots
- Each link is feature-related operation.

IN	Date	Trans-Details	Particulars	Rs
PN	20/02/2017	8569	Major's Energy Cylinders	
PLS	20/02/2017	8569	Trans for Fuelled	

Acceleration (g) 1.000 0 1000		Speed (km/h) 0 100 200 300 400	Speed (m/s) 0 100 200 300 400
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Foster
Wilson
Architects

Project ID#	Project Name	Project Location	Survey ID#	ELEVATIONS ENERGY MARKUP OPTION 1	Project Name	Year	Location	Plot #
PETERSFIELD FESTIVAL HALL		HEATH RD PETERSFIELD GU15 4EA			REBA STAGE 3	2021		
					Survey ID#		500 FINS-XX-ZZ-DR-A 0228.1	



QODA OPTION 1

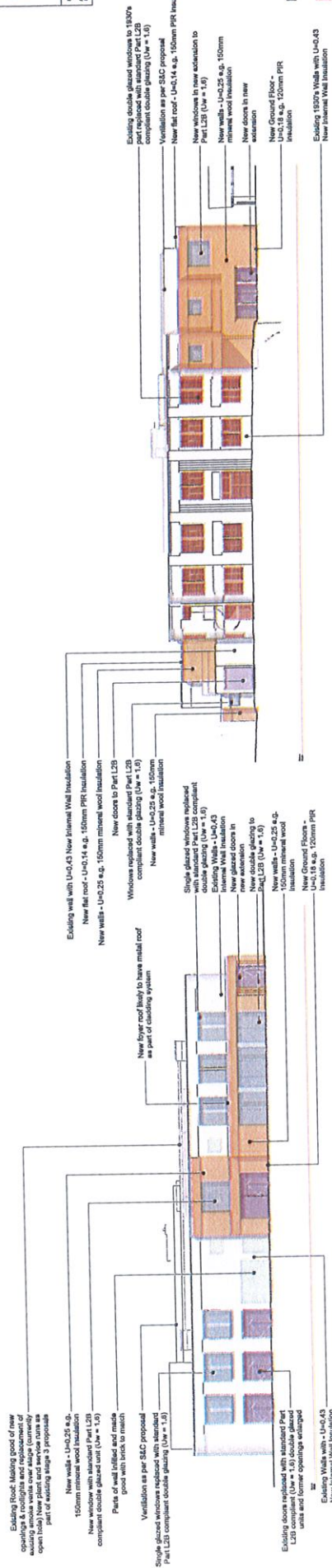
Option 1 (78 kWh/m².yr)

Replacement of single glazed windows
Basic draft proofing, replace leakiest elements (e.g. entrance doors)
New elements to Part L2B

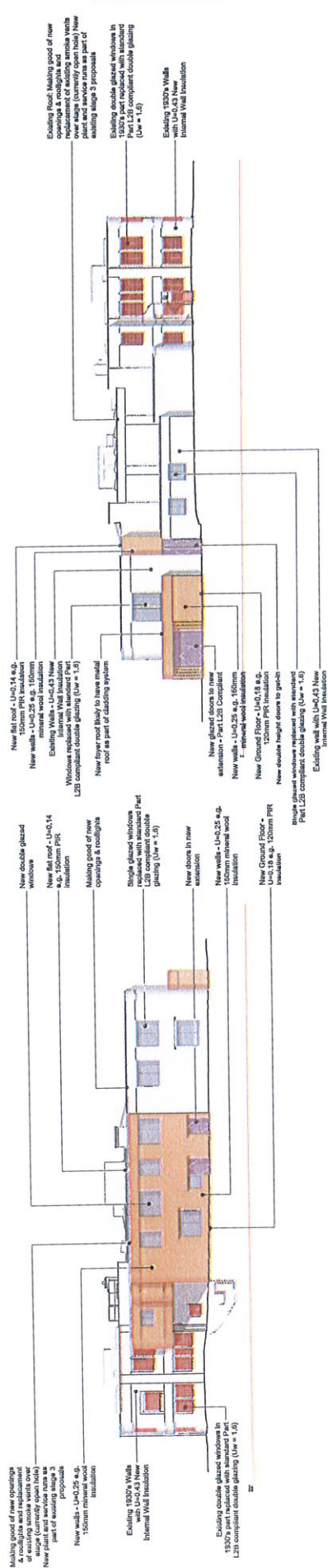
7 air changes per hour

... INDICATIVE ONLY - FOB WINDOW LOCATIONS, MASSING & ENERGY MODEL



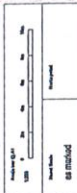
[illegible]

3 SOUTH ELEVATION 1:200@A1



4 WEST ELEVATION 1:200@A1

Account Number	SO Initial Status	Received on/Date	Received Name
No.	Date		
P1	URGENT	1984	Major's Living Quarters
P2	URGENT	1984	Major's Quarters

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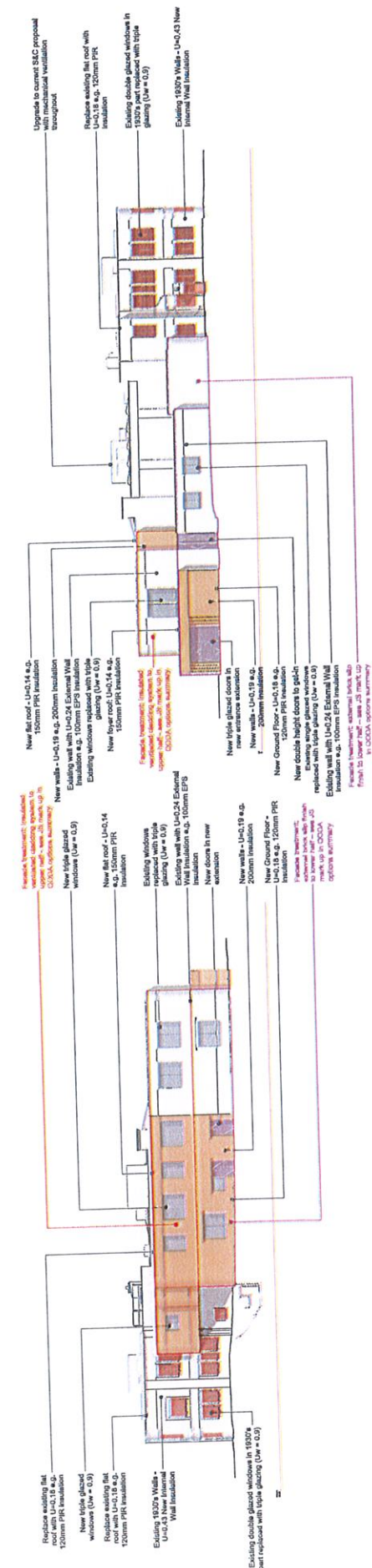
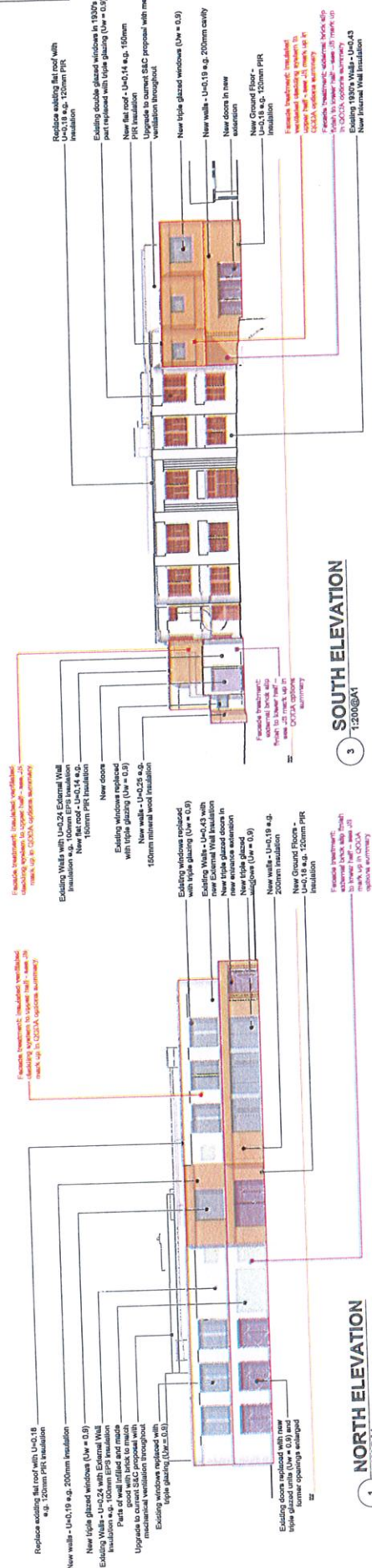
Project Title	PETERSFIELD FESTIVAL HALL			
Project Location	HEATH RD PETERSFIELD GU21 4EA			
Building Title	ELEVATIONS ENERGY MARKUP OPTION 2			
Project Name	RIBA STAGE 3		Year	2021
Drawings	Section	Detail	Other	Material
500	PWS-XX-ZZ-DIV-A	0203.2		PA-1



QODA OPTION 2

Option 2 (59 kWh/m².yr)
Internal wall insulation
Replacement of windows and double glazing
Mechanical ventilation with heat recovery (e.g. to office spaces)
New elements improved
Air changes per hour

ELEVATIONS ARE INDICATIVE ONLY - FOR WINDOW LOCATIONS, MASSING & ENERGY MODEL

[illegible]

SO INITIAL STATUS	Product or material history	MS	Size	Classification	Material Status
P1	INCOMPLETE	SMALL			High-3 Energy Critical
P4.5	INCOMPLETE	SMALL			High-3 Critical

Number of units	100 200 300 400 500 600 700 800 900 1000
Short Run cost method	Runway field

Foster
Wilson
Architects

PETERSFIELD FESTIVAL HALL
Petersfield, Hampshire
GU31 4EA

ELEVATIONS ENERGY MARKUP OPTION 3

Project Name	Year
REBA STAGE 3	2021

Drawing No.	Revision	Date	By	Check	Appr.
590 FWS-XC-ZR-A	0220.3				

P1.1

QODA OPTION 3

Option 3 (39 kWh/m²/yr) – around 35 W/m²

Whole building external wall insulation system apart from 1930's part

Replacement of windows with triple glazing

Replacement of radiators with fan coil units

Significant air tightening

Significant insulation use and proprietary products (tapes etc)

Significant insulation with heat recovery (87%)

New insulation to existing flat roofs

3 air changes per hour

*ELEVATIONS ARE INDICATIVE ONLY - FOR WINDOW LOCATIONS, MASSING & ENERGY MODEL

1



Medium (g/L) 1000 500 0 500 1000	Incubation period 1000 500 0 500 1000
---	--

PETERSFIELD FESTIVAL HALL
HEATH RD PETERSFIELD GU31 4EA

**ELEVATIONS ENERGY MARKUP
OPTION 4**

Project stage	2021
RIBA STAGE 3	
Drawings/Info.	Revision
590 FWS-XX-ZZ-DR-A 0220.0	P1.1

Option 4 – EnerPHit (<20 kWh/m².yr) around 20 W/m²
1 air change per hour

ELEVATIONS ARE INDICATIVE ONLY - FOR WINDOW LOCATIONS, MASSING & ENERGY MODEL

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Contract Standing Orders

Approved by Full Council on 29th April 2021

Minute number C1582 refers

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These CSOs were adopted by the Council at its Meeting held on 29th April 2021

Contract Standing Orders

CSO1 General

1.1 Definitions

“Contract” means (i) any agreement for the supply of goods, services, or the execution of works to or for the Council including the use of consultants; (ii) any Framework Agreement; or (iii) any agreement where no payment is made by the Council but which is of financial value to the economic operator but does not include (without exception) (iv) an employment contract; or (v) a Grant Agreement;

“Contracts Finder” means a web-based portal provided for the purposes of the UK Regulations by or on behalf of the Cabinet Office;

“Council” means Petersfield Town Council;

“Economic Operator” means the party or potential party to a Contract;

“Proper Officer” means the Town Clerk or other such employee as appointed by the Council;

“Thresholds” means the thresholds for public advertisement of goods, works and services contracts as provided for in the UK Regulations and advised by the Government.

“UK e-notification service” is defined in the UK Regulations;

“UK Regulations” means the Public Contract Regulations 2015 as amended from time to time

- 1.2 These Contract Standing Orders (“CSOs”) are made pursuant to the Local Government Act 1972, section 135 and shall come into force on 29th April 2021 but nothing in these CSOs shall prejudice the validity of any actions taken before that date under any previous CSOs.

- 1.3 Subject to CSO1.4 every contract made by or on behalf of the Council shall comply with:

1.3.1 these CSOs;

1.3.2 the Council’s Financial Regulations;

1.3.3 all relevant statutory provisions including, in particular, Local Government Act 1988 Part II, Local Government Acts 1999 and 2000;

1.3.4 the UK Regulations;

1.3.5 the rules on Subsidy Control;

1.3.6 any direction by the Council or Committee having appropriate delegated authority.

- 1.4 These CSOs shall not apply or may be varied:

1.4.1 as resolved by the Council or appropriate Committee;

1.4.2 where statute or subordinate legislation prescribes otherwise.

- 1.5 The estimated value of a contract shall be the total value of the contract, net of VAT. This is the total consideration estimated to be payable over the full term of the Contract by the Council to include any option to extend.

- 1.6 The estimated value of a Framework Agreement is the total value of all the Contracts which could be entered into by the Council and all other contracting authorities, as applicable. Where the Council has a requirement for a single contract comprising services, supplies or works in combination, the rules to be applied are those which apply to the largest element by consideration.
- 1.7 Purchases of the same or similar goods or services must be aggregated wherever practicable. Contracts must not be artificially separated so as to circumvent the application of any part of CSOs or UK Regulations.
- 1.8 Where the Contract period exceeds four years or is for an indefinite or unknown period, the value shall be calculated on the basis that the Contract shall be for a period of four years.

CSO2 Authority to Enter into Contracts

- 2.1 The Proper Officer shall have power to accept tenders (where required) and to enter into contracts on behalf of the Council to a value not exceeding £5,000.
- 2.2 In other cases the Council or the relevant committee shall have power to accept tenders and to authorise the conclusion of contracts.
- 2.3 The authority to accept tenders and/or enter into contracts shall be documented by the Proper Officer. The report seeking authority and the decisions shall include: a Council summary, recommendations, reasons for recommendations, a list of background papers (if any), the outcomes of consultations, statutory background, relevant policy background, other courses of action considered but rejected (if appropriate), staffing consequences, financial consequences, and how the proposal will help to reduce crime and disorder and promote race relations. Decisions taken under delegated authority shall be recorded by the Proper Officer in the database of delegated decisions.

CSO3 Framework Agreements and Suitability of Economic Operators

- 3.1 A Framework Agreement is an agreement between one or more contracting authorities (bodies governed by public law) and one or more economic operators, the purpose of which is to establish the terms governing contracts to be awarded during a given period, in particular with regard to price and, where appropriate, the quantity envisaged. Framework Agreements may be established by the Council, or by other public bodies, or public sector buying consortia, as arrangements through which the Council, along with other public bodies, may make specific purchases.
- 3.2 Where appropriate a Framework Agreement that has been approved as suitable by the Council or an appropriate Committee should be used for the making of the proposed purchase. A suitable Framework Agreement shall be appropriate for the specific requirement and procured in compliance with the UK Regulations, and the terms and conditions applicable shall meet the minimum requirements of the Council.
- 3.3 Provisions contained in the UK Regulations which govern Framework Agreements must be complied with when concluding a Framework Agreement or awarding a contract based on a Framework Agreement.
- 3.4 In all cases where a Contract is awarded under these CSOs, an economic operator can only be appointed who, as a minimum:

- a) meets the Council's insurance requirements for the Contract (in respect of public liability, product, professional indemnity and/or employer's liability as appropriate, based on an assessment of risk for the Contract); and
- b) is registered for tax and holds a valid certificate (where appropriate).

CSO4 Publication of Notices

- 4.1 In accordance with either these CSOs or UK Regulations, in all cases a public notice will be required. The notice shall be placed on the Council's web site and on Contracts Finder.
- 4.2 The notice shall additionally be placed in at least one local newspaper, one trade journal and/or approved website stating the nature and purposes of the Contract, inviting tenders and stating the last day when tenders shall be accepted.
- 4.3 Where the value of the Contract is £25,000 or greater the information regarding the Contract award is required to be placed on Contracts Finder.
- 4.4 Where the value of the Contract exceeds the relevant Threshold, the Contract notice and Contract award notice shall also be placed in the UK e-notification service in accordance with the UK Regulations.

CSO5 Contracts of £50,000 or Less

- 5.1 Where the estimated value of the Contract, calculated in accordance with CSO1, is less than £50,000 and there is a suitable Framework Agreement approved by the Council or appropriate committee under CSO3, that Framework Agreement shall be used.
- 5.2 Where no suitable Framework Agreement is available, and the estimated value of the Contract, calculated in accordance with CSO1, is less than £500, then one written quotation should be obtained.
- 5.3 Where no suitable Framework Agreement is available, and the estimated value of the Contract, calculated in accordance with CSO1, is £500.01 or greater and less than £50,000 three written quotations should be obtained against the same written request for quotation should be obtained.
- 5.4 In the selection of the economic operator, the need to seek best value for money and be able to demonstrate that they have achieved this should be borne in mind.
- 5.5 The requirement for written quotations in CSO4.1 or 4.2 shall not apply where the services comprise:
 - 5.5.1 seeking the advice of counsel;
 - 5.5.2 the services of counsel byway of representation;
 - 5.5.3 the services of an expert witness;
 - 5.5.4 the engagement of temporary or locum staff but the Proper Officer shall obtain quotations wherever possible.
- 5.6 Contracts having a value of £50,000 or less shall be evidenced in writing which may be the Council's Purchase Order form.

CSO6 Requirement for Tenders with a Value above £50,000 but below Threshold

- 6.1 Where the estimated value of the Contract, calculated in accordance with CSO1, is £50,000 or greater but less than the relevant Threshold, and there is a suitable Framework Agreement approved by the Council or appropriate committee, under CSO3, that Framework Agreement shall be used.
- 6.2 Where no suitable Framework Agreement is available, tenders shall be invited using a procedure comparable/similar to the open procedure under the UK Regulations.
- 6.3 The procedure requires the publication of a notice in accordance with CSO4. The public notice shall specify (i) a time period within which interested parties may express an interest in tendering and (ii) the method by which such interest shall be expressed. At the end of this period, an invitation to tender shall be sent to all parties who have expressed an interest, specifying a reasonable period for tenders to be returned.
- 6.4 In all cases, every invitation to tender shall include the following:
- A statement that the tendering process will be conducted within the Council's corporate electronic tendering system;
 - Full instructions on how to submit their tender to this system;
 - Advice that tenders, once received in the system, will be anonymous until the time specified for their opening;
 - Advice as to the deadline for submission of tenders to this system.
- 6.5 The invitation to tender shall state:
- the evaluation criteria (including sub-criteria and sub-sub-criteria (where used));
 - weightings and scoring criteria that will be applied in the award of the Contract.
- 6.6 These criteria must be capable of objective assessment, include price and any other relevant factors, and be weighted by relative importance. The invitation to tender shall also include the terms and conditions that will apply to the Contract.

CSO7 Tendering Procedures for Contracts above Thresholds

- 7.1 The UK Regulations sets the financial threshold above which prescribed tendering procedures must be followed. The Thresholds are reviewed every two years.
- 7.2 Where the estimated value of the Contract is above the relevant Threshold, the procedures set out in the UK Regulations must be followed. In most cases, the open procedure, restricted procedure or competitive procedure with negotiation will be used, but in certain specialist cases, the negotiated procedure without prior publication, competitive dialogue procedure or innovation partnership procedure shall apply.

CSO8 Opening of Tenders

- 8.1 All tenders for a contract shall be opened at the same time and in the presence of the following persons:

- 8.1.1 in respect of tenders invited by the Proper Officer in accordance with CSO2.1 above, the Proper or such officer as he or she shall have designated for the purpose;
- 9.1.2 in respect of tenders in accordance with CSO2.2 above, the Chairman or other member of the appropriate committee together with the Proper Officer or such officer as he or she shall have designated for the purpose.
- 8.2 The Proper Officer shall prepare and maintain a register of tenders received and shall record in that register the name of the economic operator and the total amount of the tender.
- 8.3 All persons required by CSO11.1 above to be present at the opening of tenders shall immediately thereafter sign against the relevant particulars in the register of such tenders having been opened by them or in their presence and shall initial each of the tender documents.

CSO9 Evaluation of Tenders and Award of Contracts

- 9.1 The Proper Officer shall ensure that the tenders received are evaluated in accordance with the evaluation criteria that have been adopted for the Contract, and stated in the Invitation to Tender. These criteria must be capable of objective assessment, include price and other relevant factors, and be weighted by relative importance.
- 9.2 The Proper Officer shall produce a written report evaluating each tender received against the evaluation criteria. The report shall identify the tenderer who has submitted the most economically advantageous tender i.e. the tender that achieves the highest score in the evaluation, and recommend the award of the Contract to that tenderer. This report shall be submitted to the person authorised to award the Contract under CSO 2.
- 9.3 Where the value of a Contract is above the relevant Threshold, the Contract shall be awarded in accordance with the UK Regulations and in particular the requirements relating to a “standstill” period prior to the Contract being entered into.
- 9.4 All Contracts, including an arrangement subject to a purchase order, must be made in writing under English Law, and must clearly and carefully specify the supplies, services or works to be provided, the agreed programme for delivery and the price and terms for payment together with all other terms and conditions.
- 9.5 Subject to CSO9.5 and CSO9.6 every Contract exceeding £50,000 in value not required or intended to be made under seal shall be signed on behalf of the Council by two officers of the Council being the Proper Officer and the Finance Officer or other office as nominated and approved by Council.
- 9.6 Every Contract which is a lease finance agreement shall be signed by both the Proper Officer and the Finance Officer.
- 9.7 Every Contract required or intended to be made under seal shall be sealed on behalf of the Council by the Proper Officer in the presence of a member of the Council.

CSO10 Waiver of Contract Standing Orders and Modifications of Contracts

- 10.1 Any of the requirements of these CSOs may be waived in an individual case, by the person authorised as follows:

- 11.1.1 Where the estimated value of the Contract is less than £50,000, the Manager within whose area of responsibility the Contract falls;
 - 11.1.2 Where the estimated value of the Contract is £50,000 or greater but less than £100,000, the Town Clerk;
 - 11.1.3 Where the estimated value of the Contract is £100,000 or greater, the Council or an appropriate committee with delegated responsibility for the relevant service area.
- 10.2 A request for the issue of a waiver must be made in writing to the person authorised under CSO10.1, with full reasons as to why the waiver is required, and evidence that the issue of a waiver will not prevent best value from being obtained. The decision in response to the request must also be in writing. No action shall be taken to enter into the Contract until such request has been submitted and the decision made.
 - 10.3 The Council is subject to legal requirements to ensure fair competition for Contracts of a value exceeding the Thresholds, and subject to obligations under the UK Regulations to ensure that all Contracts (regardless of value) are awarded having regard to the need to avoid any action that is discriminatory, improper or which distorts competition.
 - 10.4 It is understood that a waiver may be utilised where it can be demonstrated that the ability to act quickly to engage a single supplier would make economic sense and fit with service requirements, in circumstances where there is no more effective way to secure the capacity.
 - 10.5 Any proposed modifications to existing contracts which have not been provided for in the initial procurement documents in clear, precise and unequivocal review clauses shall be approved by the Town Clerk where the value of the modification is less than £5,000 and by the relevant committee with delegated responsibility for the relevant service area where the value of the modification is £5,000 or greater prior to agreement of such modification.

APPENDIX 1

The Public Contracts Regulations 2015 or the most recently approved set of regulations in force.



FINANCIAL REGULATIONS

Review date: April 2021
 Minute number C1582 refers
 Next review date: April 2022

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These Financial Regulations were adopted by the Council at its Meeting held on [insert date]

1. GENERAL

- 1.1 These financial regulations govern the conduct of financial management by the council and may only be amended or varied by resolution of the council. Financial regulations are one of the council's three governing policy documents providing procedural guidance for members and officers. Financial regulations must be read in conjunction with the council's standing orders and any separate financial regulations relating to contracts.
- 1.2 The council is responsible in law for ensuring that its financial management is adequate and effective and that the council has a sound system of internal control which facilitates the effective exercise of the council's functions, including arrangements for the management of risk.
- 1.3 The council's accounting control systems must include measures:
 - o for the timely production of accounts;
 - o to prevent and detect inaccuracy and fraud; and
 - o identifying the duties of officers.
- 1.4 These financial regulations demonstrate how the council meets these responsibilities and requirements.
- 1.5 At least once a year, prior to approving the Annual Governance Statement, the council must review the effectiveness of its system of internal control which shall be in accordance with proper practices.
- 1.6 Members of Council are expected to follow the instructions within these Regulations and not to entice employees to breach them. Failure to follow instructions within these Regulations brings the office of Councillor into disrepute.
- 1.7 The Responsible Financial Officer (RFO) holds a statutory office to be appointed by the council. The Town Clerk has been appointed as RFO and these regulations will apply accordingly.
- 1.8 The RFO;
 - o acts under the policy direction of the council,
 - o administers the council's financial affairs in accordance with all Acts, Regulations and proper practices;
 - o determines on behalf of the council its accounting records and accounting control systems;
 - o ensures the accounting control systems are observed;
 - o ensures the accounting records of the council are maintained up to date and in accordance with proper practices;
 - o assists the council to secure economy, efficiency and effectiveness in the use of its resources and
 - o produces financial management information as required by the council.

- 1.9 The accounting records determined by the RFO shall be sufficient to show and explain the council's transactions and to enable the RFO to ensure that any income and expenditure account and statement of balances, any additional information, as the case may be, or management information prepared for the council from time to time comply with the Accounts and Audit Regulations.
- 1.10 The accounting records determined by the RFO shall in particular contain:
- entries from day to day of all sums of money received and expended by the council and the matters to which the income and expenditure account relate;
 - a record of the assets and liabilities of the council, and
 - wherever relevant, a record of the council's income and expenditure in relation to claims made, or to be made, for any contribution, grant or subsidy.
- 1.11 The accounting control systems determined by the RFO shall include:
- procedures to ensure that the financial transactions of the council are recorded as soon as reasonably practicable and as accurately and reasonably as possible;
 - procedures to enable the prevention and detection of inaccuracies and fraud and the ability to reconstruct any lost records;
 - identification of the duties of officers dealing with financial transactions and division of responsibilities of those officers in relation to significant transactions;
 - procedures to ensure that uncollectable amounts, including any bad debts are not submitted to the council for approval to be written off except with the approval of the RFO and that the approvals are shown in the accounting records, and
 - measures to ensure that risk is properly managed.
- 1.12 The council is not empowered by these Regulations or otherwise to delegate certain specified decisions. In particular any decision regarding:
- setting the final budget or the precept (Council Tax Requirement);
 - approving accounting statements;
 - approving an annual governance statement;
 - borrowing;
 - writing off bad debts;
 - declaring eligibility for the power of well-being; and
 - addressing recommendations in any report from the internal or external auditors,
- shall be a matter for the full Council only.
- 1.13 In addition the Council must:
- determine and keep under regular review the bank mandate
 - approve any grant or a single commitment;
 - in respect of the annual salary for any employee have regard to recommendations about annual salaries of employees made by the relevant Committee in accordance with its terms of reference.

- 1.14 In these financial regulations, references to the Accounts and Audit Regulations or 'the regulations' shall mean the regulations issued under the provisions of section 27 of the Audit Commission Act 1998 and then in force unless otherwise specified.
- 1.15 In these financial regulations the term 'proper practice' or 'proper practices' shall refer to guidance issued in Governance and Accountability for Local Councils – a Practitioners' Guide (England) which is published jointly by National Association of Local Councils (NALC) and Society of Local Council Clerks (SLCC) from time to time.
- 2. ACCOUNTING AND AUDIT (INTERNAL AND EXTERNAL)**
- 2.1 All accounting procedures and financial records of the council shall be determined by the RFO in accordance with the Accounts and Audit Regulations, appropriate Guidance and proper practices.
- 2.2 On a regular basis, at least once in each quarter, and at each financial year end, the Chairman of the Finance and General Purposes Committee shall verify bank reconciliations for all accounts produced by the Finance Officer. The member shall sign the reconciliations and the original bank statements (or similar document) as evidence of verification. This activity shall on conclusion be reported, including any exceptions, to and noted by the Finance & General Purposes Committee.
- 2.3 The RFO shall complete the annual statement of accounts, annual report, and any related documents of the council contained in the Annual Return (as specified in proper practices) as soon as practicable after the end of the financial year and having certified the accounts shall submit them and report thereon to the council within the timescales set by the Accounts and Audit Regulations.
- 2.4 The council shall ensure that there is adequate and effective system of internal audit of its accounting records, and of its system of internal control in accordance with proper practices. Any officer or member of the council shall make available such documents and records as appear to the council to be necessary for the purpose of the audit and shall, as directed by the council, supply the RFO, internal auditor, or external auditor with such information and explanation as the council considers necessary for that purpose.
- 2.5 The internal auditor shall be appointed by and shall carry out the work in relation to internal controls required by the council in accordance with proper practices.
- 2.6 The internal auditor shall:
- be competent and independent of the financial operations of the council;
 - report to the Council in writing, or in person, on a regular basis with a minimum of two written reports during each financial year, one of them coming at the end of the financial year;
 - to demonstrate competence, objectivity and independence, be free from any actual or perceived conflicts of interest, including those arising from family relationships, and
 - have no involvement in the financial decision making, management or control of the council.

- 2.7 Internal or external auditors may not under any circumstances:
- perform any operational duties for the council;
 - initiate or approve accounting transactions;
 - direct the activities of any council employee, except to the extent that such employees have been appropriately assigned to assist the internal auditor.
- 2.8 For the avoidance of doubt, in relation to internal audit the terms 'independent' and 'independence' shall have the same meaning as is described in proper practices.
- 2.9 The RFO shall make arrangements for the exercise of electors' rights in relation to the accounts including the opportunity to inspect the accounts, books, and vouchers and display or publish any notices and statements of account required by Audit Commission Act 1998 and the Accounts and Audit Regulations.
- 2.10 The RFO shall, without undue delay, bring to the attention of all councillors any correspondence or report from internal or external auditors.

3. ANNUAL ESTIMATES (BUDGET) AND FORWARD PLANNING

- 3.1 Each committee shall review in September each year its proposed revenue and capital receipts and payments for the forthcoming financial year. In addition, each Committee may consider potential proposed income and expenditure for an additional two financial years, if desired.
- 3.2 The Finance Officer shall during October each year use the information provided by each committee, along with officer forecasts for other routine expenditure and asset maintenance requirements to produce a detailed draft budget estimate for the following financial year.
- 3.3 A Finance Working Party, comprising the Town Mayor, Chairman of the Finance & General Purposes Committee, Chairman of the Grounds Committee, Chairman of the Public Halls Committee, Chairman of the Town Development Committee plus the Town Clerk & RFO shall meet each year, by no later than the end of November to review the detailed estimates of all receipts and payments including the use of reserves and all sources of funding for the following financial year and produce a recommended budget and precept requirement for consideration by the Finance & General Purposes Committee.
- 3.4 The Finance & General Purposes Committee shall consider the recommendations from the Finance Working Party by no later than its December meeting each year and produce a recommended budget that Council shall consider. The annual budget proposals in relation to the council's three year forecast of revenue and capital receipts and payments shall include recommendations for the use of reserves and sources of funding and update the forecast accordingly.
- 3.5 The Council shall approve the precept (council tax requirement), and relevant basic amount of council tax to be levied for the ensuing financial year not later than by the end of January each year. The RFO shall issue the precept to the billing authority and shall supply each member with a copy of the approved annual budget.

- 3.6 The approved annual budget shall form the basis of financial control for the ensuing year.

4 BUDGETARY CONTROL AND AUTHORITY TO SPEND

- 4.1 Expenditure on revenue items may be authorised up to the amounts included for that class of expenditure in the approved budget. This authority is to be determined by the terms of reference for each committee. Contracts may not be disaggregated to avoid controls imposed by these regulations.
- 4.2 No expenditure may be authorised that will exceed the amount provided in the revenue budget for that class of expenditure other than by resolution of the Council, or the Finance & General Purposes Committee. During the budget year and with the approval of council having considered fully the implications for public services, unspent and available amounts may be moved to other budget headings or to an earmarked reserve as appropriate ('virement').
- 4.3 Unspent provisions in the revenue or capital budgets for completed projects shall not be carried forward to a subsequent year.
- 4.4 The salary budgets are to be reviewed at least annually in September or October for the following financial year by the Staff Panel and such review shall be evidenced by a hard copy schedule signed by the Town Clerk & RFO and the Chairman of the Finance & General Purposes Committee and/or the minutes of the Staff Panel meeting.
- 4.5 In cases of risk to the delivery of council services and protection of the Council's assets, the Town Clerk may authorise revenue expenditure on behalf of the council which in the Town Clerk's judgement it is necessary to carry out. Such expenditure includes repair, replacement or other work, whether or not there is any budgetary provision for the expenditure, subject to a limit of £2,000. The Town Clerk shall report such action to the relevant Chairman as soon as possible and to the Finance & General Purposes Committee as soon as practicable thereafter. In the event that the emergency expenditure required is in excess of £2,000, this may be approved by the Town Clerk with the approval of the Town Mayor, Chairman of Finance & General Purposes Committee and Chairman of the relevant committee.
- 4.6 Authority is delegated to the Town Clerk and RFO to authorise and commit expenditure on matters conducive to the smooth running of the Council's services. This includes utility and fuel costs, stationery, cleaning materials, planned maintenance of facilities, staff training/development, legal advice, regular functions/services and statutory payments but is not intended to be exhaustive.
- 4.7 No expenditure shall be authorised in relation to any capital project and no contract entered into or tender accepted involving capital expenditure unless the Council is satisfied that the necessary funds are available or the requisite borrowing approval has been obtained.
- 4.8 All capital works shall be administered in accordance with the council's standing orders and financial regulations relating to contracts.

4.9 The RFO shall regularly provide the Finance & General Purposes Committee with a statement of receipts and payments to date under each heading of the budgets, comparing actual expenditure to the appropriate date against that planned as shown in the budget. These statements are to be prepared at least at the end of each financial quarter and ideally to every meeting of the committee and shall show explanations of material variances from the budget.

4.10 Changes in earmarked reserves shall be approved by Council as part of the budgetary control process.

5. BANKING ARRANGEMENTS AND AUTHORISATION OF PAYMENTS

5.1 The council's banking arrangements, including the bank mandate, shall be made by the RFO and approved by the council; banking arrangements may not be delegated to a committee. They shall be regularly reviewed for safety and efficiency. The council may seek credit references in respect of members or employees who act as signatories.

5.2 The RFO shall approve a prepared schedule of payments requiring approval, forming part of the Agenda for the Council Meeting and present the schedule to Council. The Council shall review the schedule for compliance and, approve the payments by a resolution of the Council. The schedule shall be disclosed as an attachment to the minutes of the meeting at which payment was approved. Personal payments (including salaries, wages, expenses and any payment made in relation to the termination of a contract of employment) may be summarised to remove public access to any personal information.

5.3 All invoices for payment shall be examined, verified and certified by the RFO to confirm that the work, goods or services to which each invoice relates has been received, carried out, examined and represents expenditure previously approved by the Council.

5.4 The Finance Officer shall examine invoices for arithmetical accuracy and analyse them to the appropriate expenditure heading. The RFO shall take all steps to pay all invoices submitted and which are in order within the terms specified on the account or contract.

5.5 The Clerk and RFO shall have delegated authority to authorise the payment of items in the following circumstances:

- (a) If a payment is necessary to avoid a charge to interest under the Late Payment of Commercial Debts (Interest) Act 1998, and the due date for payment is before the next scheduled Meeting of Council, where the Clerk and RFO certify that there is no dispute or other reason to delay payment, provided that a list of such payments shall be submitted to the next appropriate meeting of Council.
- (b) An expenditure item authorised under 5.6 below (continuing contracts and obligations) provided that a list of such payments shall be submitted to the next appropriate meeting of Council;
- (c) Fund transfers within the councils banking arrangements, provided that a list of such payments shall be submitted to the next appropriate meeting of Council.

- (d) Payments for work that has been completed to the full satisfaction of the officer managing the project in accordance with any terms and conditions that may apply for the relevant account or contract.
- 5.6 For each financial year the Finance Officer shall draw up a list of due payments which arise on a regular basis as the result of a continuing contract, statutory duty, or obligation (such as but not exclusively, Salaries, PAYE and NI, Superannuation Fund, regular maintenance contracts and other similar payments provided also that a list of all such payments, when made shall be submitted to the next appropriate meeting of Council on the schedule of payments.
- 5.7 In respect of grants a Grants Panel comprising three councillors is appointed by Council at its Annual Meeting. It shall consider and recommend approval of community grant applications to Council within any limits set by Council and in accordance with any Policy statement approved by Council. All grants provided to Perennial Clients are to be considered and approved as part of the Council's budget setting process. Any client to be added to or removed from the Perennial Client list must be approved by resolution of Council following a recommendation from the Finance & General Purposes Committee.
- 5.8 In respect of Capital Grants that may be approved by the Council as part of its budget setting process, all applications are to be considered by the Finance & General Purposes Committee annually in October. The grant shall not be payable until at least 1st March of the following year and all successful applicants will need to provide evidence of expenditure prior to the grant payment being approved. This evidence can be by way of receipted invoice, approved contract, order of goods or some other form that is satisfactory to the Town Clerk.
- 5.9 Members are bound by the Code of Conduct as adopted by the Council and shall not be present in the room when a decision to authorise or instruct payment is made in respect of a matter in which they have a disclosable pecuniary interest, unless a dispensation has been granted.
- 5.10 The council will aim to rotate the duties of members in these Regulations so that onerous duties are shared out as evenly as possible over time.
- 5.11 Any changes in the recorded details of suppliers, such as bank account records, shall be approved in writing by a member.

6 INSTRUCTIONS FOR THE MAKING OF PAYMENTS

- 6.1 The council will make safe and efficient arrangements for making of its payments.
- 6.2 Following authorisation under Financial Regulation 5 above, the Council, a duly delegated committee or, if so delegated, the Clerk or RFO shall give instruction that a payment shall be made.
- 6.3 All payments shall be effected by cheque or other instructions to the Council's bankers, or otherwise, in accordance with a resolution of Council or duly delegated Committee.

- 6.4 Cheques or orders for payment drawn on the bank account in accordance with the schedule as presented to Council shall be signed by two members of council and countersigned by the Clerk or (in the Clerk's absence) the Finance Officer. If a member who is also a bank signatory has declared a disclosable pecuniary interest in the matter in respect of which the payment is being, alternative councillors shall be required to sign the cheque for that payment.
- 6.5 To indicate agreement of the details shown on the cheque or order for payment with the counterfoil and the invoice or similar documentation, the signatories shall each also initial the cheque counterfoil.
- 6.6 If thought appropriate by the council, payment for utility supplies (energy, telephone and water), any National Non-Domestic Rates and other regular on-going contracts may be made by variable Direct Debit provided that the instructions are signed by two members plus the Town Clerk or Finance Officer and any payments are reported to Council as made. The approval of the use of a variable Direct Debit shall be renewed by resolution of the council at least every two years.
- 6.7 If thought appropriate by the council, payment for certain items may be made by Banker's Standing Order provided that the instructions are signed, or otherwise evidenced by two members plus the Town Clerk or Finance Officer and any payments are reported to Council as made. The approval of the use of a Bankers Standing Order shall be renewed by resolution of the council at least every two years.
- 6.8 The normal method of making payments will be by electronic bank payments provided that the instructions for each payment are signed, or otherwise evidenced, by two members plus the Town Clerk or Finance Officer and any payments are reported to Council as made. Should it become necessary to make any payment by cheque then these will be actioned monthly. The approval of the use of BACS or CHAPS shall be renewed by resolution of the council at least every two years.
- 6.9 The process to be followed for the making of electronic bank payments is:
- The payments to be made will be processed through internet banking with a future payment date of at least a week, and preferably 10 days;
 - This list will be printed out from internet banking and placed with the invoices or 'orders for payment' or similar paperwork to support the payment;
 - This list will be examined by 2 councillors prior to the date when internet banking is scheduled to make the payments;
 - The 2 councillors will sign the internet banking schedule to confirm they have examined the payments and are satisfied that the payments can and should be made;
 - In the event that councillors are not content that any of the payments should be made, there is still time for them to be removed from internet banking before the scheduled due date.
- 6.10 Payment of staff salaries is to be made by internet banking transfer with a 'schedule' or 'order for payment' being signed by two members plus the Town Clerk or Finance Officer. All internet banking transfers are to be entered into the computer system in the presence of the Chairman of the Finance & General Purposes

Committee or the Town Mayor. If neither of these members are available for any reason an alternative councillor must be present to confirm the payments.

- 6.11 No employee or councillor shall disclose any PIN or password, relevant to the working of the council or its bank accounts, to any person not authorised unless by resolution of the Council or a duly delegated committee.
- 6.11 Regular back-up copies of the records on any computer shall be made and shall be stored securely away from the computer in question.
- 6.12 The Council, and any members using computers for the council's financial business, shall ensure that anti-virus, anti-spyware and firewall, software with automatic updates, together with a high level of security, is used.
- 6.13 Where internet banking arrangements are made with any bank, the Town Clerk and RFO shall be appointed as the Service Administrator. Arrangements shall also be made to ensure that a councillor is involved in authorising payments before they are made.
- 6.14 Access to any internet banking accounts will be directly to the access page (which may be saved under "favourites"), and not through a search engine. or e-mail link Remembered or saved passwords facilities must not be used on any computer used for council banking work. Breach of this Regulation will be treated as a very serious matter under these regulations.
- 6.15 Changes to account details for suppliers, which are used for internet banking may only be changed on written hard copy notification by the supplier and supported by hard copy authority for the change signed by two of the Town Clerk & RFO, Chairman of the Finance & General Purposes Committee and the Town Mayor. A programme of regular checks of standing data with suppliers will be followed.
- 6.16 The Finance Officer may provide petty cash to officers for the purpose of defraying operational and other expenses. Vouchers for payments made shall be forwarded to the Finance Officer with a claim for reimbursement.
 - a) The RFO shall maintain as petty cash a float of £315 for the purpose of defraying operational and other expenses. Vouchers for payments made from petty cash shall be kept to substantiate the payment.
 - b) Income received must not be paid into the petty cash float but must be separately banked, as provided elsewhere in these regulations.
 - c) Payments to maintain the petty cash float shall be shown separately on the schedule of payments presented to council under 5.2 above.

7 PAYMENT OF SALARIES

- 7.1 As an employer, the council shall make arrangements to meet fully the statutory requirements placed on all employers by PAYE and National Insurance legislation. The payment of all salaries shall be made in accordance with payroll records and the rules of PAYE and National Insurance currently operating, and salary rates shall be as agreed by Council, or the Finance & General Purposes Committee.

- 7.2 Payment of salaries and payment of deductions from salary such as may be required to be made for tax, national insurance and pension contributions, or similar statutory or discretionary deductions may be made in accordance with the payroll records and on the appropriate dates stipulated in employment contracts, provided that each payment is reported to the next available council meeting, as set out in these regulations above. All payments are to be made in accordance with regulation 6.9 above and be duly authorised as specified in that regulation.
- 7.3 No changes shall be made to any employee's pay, emoluments, or terms and conditions of employment without the prior consent of the relevant committee with the exception of contractual spinal column point pay increases.
- 7.4 Each and every payment to employees of net salary and to the appropriate creditor of the statutory and discretionary deductions shall be recorded in a separate confidential record. This confidential record is not open to inspection or review (under the Freedom of Information Act or otherwise) other than:
- a) by any councillor who can demonstrate a need to know;
 - b) by the internal auditor;
 - c) by the external auditor;
 - d) by any person authorised under Audit Commission Act 1998.
- 7.5 The total of such payments in each calendar month shall be reported with all other payments as may be required under these Financial Regulations, to ensure that only payments due for the period have actually been paid.
- 8 LOANS AND INVESTMENTS**
- 8.1 All borrowings shall be effected in the name of the Council, after obtaining any necessary borrowing approval. Any application for borrowing approval shall be approved by Council as to terms and purpose. The application for Borrowing Approval, and subsequent arrangements for the Loan shall only be approved by full Council.
- 8.2 Any financial arrangement which does not require formal Borrowing Approval from the Secretary of State (such as Hire Purchase or Leasing of tangible assets) shall be subject to approval by the full Council. In each case a report in writing shall be provided to council in respect of value for money for the proposed transaction.
- 8.3 All loans and investments shall be negotiated in the name of the Council and shall be for a set period in accordance with council policy.
- 8.4 The council shall consider the need for an Investment Strategy and Policy which, if drawn up, shall be in accordance with relevant regulations, proper practices and guidance. Any Strategy and Policy shall be reviewed by the council at least annually.
- 8.5 All investments of money under the control of the Council shall be in the name of the Council.
- 8.6 All investment certificates and other documents relating thereto shall be retained in the custody of the RFO.

- 8.7 Payments in respect of short term or long term investments, including transfers between bank accounts held in the same bank, or branch, shall be made in accordance with Regulation 5 (Authorisation of payments) and Regulation 6 (Instructions for payments).

9 INCOME

- 9.1 The collection of all sums due to the council shall be the responsibility of and under the supervision of the RFO.
- 9.2 Particulars of all charges to be made for work done, services rendered or goods supplied shall be agreed annually by the Council, notified to the RFO and the RFO shall be responsible for the collection of all accounts due to the council.
- 9.3 The Council will review all fees and charges at least annually, following a report of the Clerk.
- 9.4 Any sums found to be irrecoverable and any bad debts shall be reported to the Council and shall be written off in the financial year.
- 9.5 All sums received on behalf of the Council shall be banked intact as directed by the Finance Officer. In all cases, all receipts shall be deposited with the council's bankers with such frequency as the Finance Officer considers necessary.
- 9.6 The origin of each receipt shall be entered on the paying-in slip.
- 9.7 Personal cheques shall not be cashed out of money held on behalf of the council.
- 9.8 The Finance Officer shall promptly complete any VAT Return that is required. Any repayment claim due in accordance with VAT Act 1994 section 33 shall be made quarterly.
- 9.9 Where any significant sums of cash are regularly received by the council, the RFO shall take such steps as are agreed by the council to ensure that more than one person is present when the cash is counted in the first instance, that there is a reconciliation to some form of control such as ticket issues, and that appropriate care is taken in the security and safety of individuals banking such cash.

10 ORDERS FOR WORK, GOODS AND SERVICES

- 10.1 An official order or letter shall be issued for all work, goods and services unless a formal contract is to be prepared or an official order would be inappropriate. Copies of orders shall be retained.
- 10.2 Order books shall be controlled by the RFO.
- 10.3 All members and Officers are responsible for obtaining value for money at all times. An officer issuing an official order shall ensure as far as reasonable and practicable that the best available terms are obtained in respect of each transaction, usually by

obtaining three or more quotations or estimates from appropriate suppliers, subject to any de minimus provisions in Regulation 11 (i) below.

- 10.4 A member may not issue an official order or make any contract on behalf of the council.
- 10.5 The RFO shall verify the lawful nature of any proposed purchase before the issue of any order, and in the case of new or infrequent purchases or payments, the RFO shall ensure that the statutory authority shall be reported to the meeting at which the order is approved so that the Minutes can record the power being used.

11 CONTRACTS

11.1 Procedures as to contracts are laid down as follows:

- (a) Every contract shall comply with these financial regulations, and no exceptions shall be made otherwise than in an emergency provided that this regulation need not apply to contracts which relate to items (i) to (vi) below:
 - (i) for the supply of gas, electricity, water, sewerage and telephone services;
 - (ii) for specialist services such as are provided by solicitors, accountants, surveyors and planning consultants;
 - (iii) for work to be executed or goods or materials to be supplied which consist of repairs to or parts for existing machinery or equipment or plant;
 - (iv) for work to be executed or goods or materials to be supplied which constitute an extension of an existing contract by the Council;
 - (v) for additional audit work of the external Auditor up to an estimated value of £500 (in excess of this sum the Clerk and RFO shall act after consultation with the Chairman and Vice Chairman of Council);
 - (vi) for goods or materials proposed to be purchased which are proprietary articles and/or are only sold at a fixed price.
- (b) Where it is intended to enter into a contract exceeding £50,000 in value for the supply of goods or materials or for the execution of works or specialist services other than such goods, materials, works or specialist services as are excepted as set out in paragraph (a) the Clerk shall invite tenders from at least four firms having previously advertised the nature and purpose of the proposed contract in accordance with the Contract Standing Orders.
- (c) When applications are made to waive financial regulations relating to contracts to enable a price to be negotiated without competition the reason shall be embodied in a recommendation to the Council.
- (d) Such invitation to tender shall state the general nature of the intended contract and the Clerk shall obtain the necessary technical assistance to prepare a specification in appropriate cases. The invitation shall in addition state that tenders must be addressed to the Clerk in the ordinary course of post. Each tendering firm shall be supplied with a specifically marked envelope in which the tender is to be sealed and remain sealed until the prescribed date for opening tenders for that contract.
- (f) All sealed tenders shall be opened at the same time on the prescribed date by the Clerk in the presence of at least one member of council who will normally be the Chairman or member of the relevant Committee.

- (g) If less than three tenders are received for contracts above £50,000 or if all the tenders are identical the council may make such arrangements as it thinks fit for procuring the goods or materials or executing the works.
- (h) All tenders received and opened are to be assessed and analysed before being reported to the next meeting of Council or the appropriate Committee.
- (i) Any invitation to tender issued under this regulation shall contain a statement to the effect of Standing Order 21, and shall refer to the terms of the Bribery Act 2010.
- (j) When it is to enter into a contract less than £50,000 in value for the supply of goods or materials or for the execution of works or specialist services other than such goods, materials, works or specialist services as are excepted as set out in paragraph (a) the Clerk or RFO shall obtain 3 quotations (priced descriptions of the proposed supply); where the value is below £5,000 and above £2,000 the Clerk or RFO shall strive to obtain 3 estimates. Otherwise, Regulation 10 (3) above shall apply.
- (k) The council shall not be obliged to accept the lowest of any tender, quote or estimate.
- (l) Should it occur that the Council, or duly delegated committee, does not accept any tender, quote or estimate, the work is not allocated and the Council requires further pricing, provided that the specification does not change, no person shall be permitted to submit a later tender, estimate or quote who was present when the original decision making process was being undertaken.
- (m) The terms of the UK Public Contracts Regulations including thresholds shall be followed, as amended from time to time.

12. **PAYMENTS UNDER CONTRACTS FOR BUILDING OR OTHER CONSTRUCTION WORKS**

- 12.1 Payments on account of the contract sum shall be made within the time specified in the contract by the RFO upon authorised certificates of the architect or other consultants engaged to supervise the contract (subject to any percentage withholding as may be agreed in the particular contract).
- 12.2 Where contracts provide for payment by instalments the RFO shall maintain a record of all such payments. In any case where it is estimated that the total cost of work carried out under a contract, excluding agreed variations, will exceed the contract sum by 5% or more a report shall be submitted to the council.
- 12.3 Any variation to a contract or addition to or omission from a contract must be approved by the Council and confirmed by the Clerk to the contractor in writing, the Council being informed where the final cost is likely to exceed the financial provision.

13 **STORES AND EQUIPMENT**

- 13.1 The officer in charge of each section shall be responsible for the care and custody of stores and equipment in that section.
- 13.2 Delivery Notes shall be obtained in respect of all goods received into store or otherwise delivered and goods must be checked as to order and quality at the time delivery is made.

- 13.3 Stocks shall be kept at the minimum levels consistent with operational requirements.
- 13.4 The RFO shall be responsible for periodic checks of stocks and stores at least annually.

14 ASSETS, PROPERTIES AND ESTATES

- 14.1 The Clerk shall make appropriate arrangements for the custody of all title deeds and Land Registry Certificates of properties held by the council. The RFO shall ensure a record is maintained of all properties held by the council, recording the location, extent, plan, reference, purchase details, nature of the interest, tenancies granted, rents payable and purpose for which held in accordance with Accounts and Audit Regulations.
- 14.2 No tangible moveable property shall be purchased or otherwise acquired, sold, leased or otherwise disposed of, without the authority of the Council, together with any other consents required by law, save where the estimated value of any one item of tangible movable property does not exceed £250.
- 14.3 No real property (interests in land) shall be sold, leased or otherwise disposed of without the authority of the Council, together with any other consents required by law. In each case a Report in writing shall be provided to Council in respect of valuation and surveyed condition of the property (including matters such as planning permissions and covenants) together with a proper business case (including an adequate level of consultation with the electorate).
- 14.4 No real property (interests in land) shall be purchased or acquired without the authority of the Council. In each case a Report in writing shall be provided to Council in respect of valuation and surveyed condition of the property (including matters such as planning permissions and covenants) together with a proper business case (including an adequate level of consultation with the electorate).
- 14.5 Subject only to the limit set in Reg 14.2 above, no tangible moveable property shall be purchased or acquired without the authority of the full Council. In each case a Report in writing shall be provided to council with a full business case
- 14.6 The Finance Officer shall ensure that an appropriate and accurate Register of Assets and Investments is kept up to date. The continued existence of tangible assets shown in the Register shall be verified and valued at least once during the term of the Council.

15 INSURANCE

- 15.1 Following the annual risk assessment (per Financial Regulation 17), the Town Clerk shall effect all insurances and negotiate all claims on the council's insurers.
- 15.2 The Town Clerk shall keep a record of all insurances effected by the council and the property and risks covered thereby and annually review it.

15.3 The Town Clerk shall be notified of any loss liability or damage or of any event likely to lead to a claim, and shall report these to Council at the next available meeting.

15.4 All appropriate members and employees of the council shall be included in a suitable form of security or fidelity guarantee insurance which shall cover the maximum risk exposure as determined by the Council, or duly delegated committee.

16 CHARITIES

16.1 Where the council is sole managing trustee of a charitable body the Clerk and RFO shall ensure that separate financial records are made in such form as shall be appropriate, in accordance with Charity Law and legislation, or as determined by the Charity Commission. The Town Clerk shall arrange for any Audit or Independent Examination as may be required by Charity Law or any Governing Document.

17 TOWN MAYOR'S CHARITY ACCOUNT

17.1 During the Town Mayor's period of office, he/she may raise funds for charities or causes that are for the benefit of people locally or nationally/internationally.

17.2 The Town Mayor is responsible for the choice of beneficiaries as well as the activities that are undertaken to raise and/or distribute the funds.

17.3 The Town Mayor may use the budget allowance provided each year to cover the costs incurred in undertaking the role of Town Mayor to defray the expenses incurred during fundraising activities should he/she so desire.

17.4 All cheques or orders for payment raised from the account are to be authorised by the Town Mayor and signed by two councillors in accordance with the bank mandate.

17.5 Whilst the Town Mayor remains responsible for the activities raising funds, the control of all invoices, payments and associated documentation rests with the Finance Officer who will operate control systems in line with those used for regular council expenditure and maintain appropriate financial records for audit purposes.

17.6 The balance of the Town Mayor's Charity Account should be reported regularly by the Responsible Finance Officer to the Finance & General Purposes Committee.

17.7 Bank reconciliations are to be presented by the Finance Officer to the Finance & General Purposes Committee with the regular bank accounts on a monthly basis.

18 RISK MANAGEMENT

18.1 The council is responsible for putting in place arrangements for the management of risk. The Clerk shall prepare, for approval by the Council, risk management policy statements in respect of all activities of the Council. Risk policy statements and

consequential risk management arrangements shall be reviewed by the council at least annually.

- 18.2 When considering any new activity, the Clerk or appropriate Officer shall prepare a draft risk assessment including risk management proposals for consideration and adoption by the Council.

19 SUSPENSION AND REVISION OF FINANCIAL REGULATIONS

- 19.1 It shall be the duty of the council to review the Financial Regulations of the council on a regular basis. The Clerk shall make arrangements to monitor changes in legislation or proper practices and shall advise the council of any requirement for a consequential amendment to these financial regulations.

- 19.2 The council may, by resolution of the council duly notified prior to the relevant meeting of council, suspend any part of these Financial Regulations provided that reasons for the suspension are recorded and that an assessment of the risks arising has been drawn up and presented in advance to all members of council.

* * *

Annual Governance and Accountability Return 2020/21 Part 3

To be completed by Local Councils, Internal Drainage Boards and other Smaller Authorities*:

- where the higher of gross income or gross expenditure exceeded £25,000 but did not exceed £6.5 million; or
- where the higher of gross income or gross expenditure was £25,000 or less but that:
 - are unable to certify themselves as exempt (fee payable); or
 - have requested a limited assurance review (fee payable)

Guidance notes on completing Part 3 of the Annual Governance and Accountability Return 2020/21

1. Every smaller authority in England that either received gross income or incurred gross expenditure exceeding £25,000 **must** complete Part 3 of the Annual Governance and Accountability Return at the end of each financial year in accordance with *Proper Practices*.
2. **The Annual Governance and Accountability Return is made up of three parts, pages 3 to 6:**
 - The **Annual Internal Audit Report** must be completed by the authority's internal auditor.
 - **Sections 1 and 2** must be completed and approved by the authority.
 - **Section 3** is completed by the external auditor and will be returned to the authority.
3. The authority **must** approve Section 1, Annual Governance Statement, before approving Section 2, Accounting Statements, and both **must** be approved and published on the authority website/webpage **before 1 July 2021**.
4. An authority with either gross income or gross expenditure exceeding £25,000 or an authority with neither income nor expenditure exceeding £25,000, but which is unable to certify itself as exempt, or is requesting a limited assurance review, **must** return to the external auditor by email or post (not both) **no later than 30 June 2021**. Reminder letters will incur a charge of £40 +VAT:
 - the Annual Governance and Accountability Return Sections 1 and 2, together with
 - a bank reconciliation as at 31 March 2021
 - an explanation of any significant year on year variances in the accounting statements
 - notification of the commencement date of the period for the exercise of public rights
 - Annual Internal Audit Report 2020/21

Unless requested, do not send any additional documents to your external auditor. Your external auditor will ask for any additional documents needed.

Once the external auditor has completed the limited assurance review and is able to give an opinion, the Annual Governance and Accountability **Section 1, Section 2 and Section 3 – External Auditor Report and Certificate** will be returned to the authority by email or post.

Publication Requirements

Under the Accounts and Audit Regulations 2015, authorities must publish the following information on the authority website/webpage:

Before 1 July 2021 authorities **must** publish:

- Notice of the period for the exercise of public rights and a declaration that the accounting statements are as yet unaudited;
- **Section 1 - Annual Governance Statement 2020/21**, approved and signed, page 4
- **Section 2 - Accounting Statements 2020/21**, approved and signed, page 5

Not later than 30 September 2021 authorities **must** publish:

- Notice of conclusion of audit
- **Section 3 - External Auditor Report and Certificate**
- **Sections 1 and 2 of AGAR** including any amendments as a result of the limited assurance review.

It is recommended as best practice, to avoid any potential confusion by local electors and interested parties, that you also publish the Annual Internal Audit Report, page 3.

The Annual Governance and Accountability Return constitutes the annual return referred to in the Accounts and Audit Regulations 2015. Throughout, the words 'external auditor' have the same meaning as the words 'local auditor' in the Accounts and Audit Regulations 2015.

*for a complete list of bodies that may be smaller authorities refer to schedule 2 to the Local Audit and Accountability Act 2014.

Guidance notes on completing Part 3 of the Annual Governance and Accountability Return (AGAR) 2020/21

- The authority **must** comply with *Proper Practices* in completing Sections 1 and 2 of this AGAR. *Proper Practices* are found in the *Practitioners' Guide** which is updated from time to time and contains everything needed to prepare successfully for the financial year-end and the subsequent work by the external auditor.
- Make sure that the AGAR is complete (no highlighted boxes left empty), and is properly signed and dated. If the AGAR contains unapproved or unexplained amendments, it may be returned and additional costs will be incurred.
- The authority **should** receive and note the Annual Internal Audit Report before approving the Annual Governance Statement and the accounts.
- Use the checklist provided below to review the AGAR for completeness before returning it to the external auditor by email or post (not both) no later than 30 June 2021.
- The Annual Governance Statement (Section 1) must be approved on the same day or before the Accounting Statements (Section 2) and evidenced by the agenda or minute references.
- The Responsible Financial Officer (RFO) must certify the accounts (Section 2) before they are presented to the authority for approval. The authority must in this order; consider, approve and sign the accounts.
- The RFO is required to commence the public rights period as soon as practical after the date of the AGAR approval.
- Do not send the external auditor any information not specifically requested. However, **you must inform your external auditor about any change of Clerk, Responsible Financial Officer or Chairman, and provide relevant authority owned generic email addresses and telephone numbers.**
- Make sure that the copy of the bank reconciliation to be sent to your external auditor with the AGAR covers all the bank accounts. If the authority holds any short-term investments, note their value on the bank reconciliation. The external auditor must be able to agree the bank reconciliation to Box 8 on the accounting statements (**Section 2, page 5**). An explanation **must** be provided of any difference between Box 7 and Box 8. More help on bank reconciliation is available in the *Practitioners' Guide**.
- Explain fully significant variances in the accounting statements on **page 5**. Do not just send a copy of the detailed accounting records instead of this explanation. The external auditor wants to know that you understand the reasons for all variances. Include complete numerical and narrative analysis to support the full variance.
- If the external auditor has to review unsolicited information, or receives an incomplete bank reconciliation, or variances are not fully explained, additional costs may be incurred.
- Make sure that the accounting statements add up and that the balance carried forward from the previous year (Box 7 of 2020) equals the balance brought forward in the current year (Box 1 of 2021).
- The Responsible Financial Officer (RFO), on behalf of the authority, **must** set the commencement date for the exercise of public rights of 30 consecutive working days which **must** include the first ten working days of July.
- The authority **must** publish on the authority website/webpage the information required by Regulation 15 (2), Accounts and Audit Regulations 2015, including the period for the exercise of public rights and the name and address of the external auditor **before 1 July 2021**.

Completion checklist – 'No' answers mean you may not have met requirements		Yes	No
All sections	Have all highlighted boxes have been completed?		
	Has all additional information requested, including the dates set for the period for the exercise of public rights , been provided for the external auditor?		
Internal Audit Report	Have all highlighted boxes been completed by the internal auditor and explanations provided?		
Section 1	For any statement to which the response is 'no', has an explanation been published?		
Section 2	Has the authority's approval of the accounting statements been confirmed by the signature of the Chairman of the approval meeting?		
	Has an explanation of significant variations from last year to this year been published?		
	Has the bank reconciliation as at 31 March 2021 been reconciled to Box 8?		
	Has an explanation of any difference between Box 7 and Box 8 been provided?		
Sections 1 and 2	Trust funds – have all disclosures been made if the authority as a body corporate is a sole managing trustee? NB: do not send trust accounting statements unless requested.		

***Governance and Accountability for Smaller Authorities in England – a Practitioners' Guide to Proper Practices**, can be downloaded from www.nalc.gov.uk or from www.ada.org.uk

Annual Internal Audit Report 2020/21

PETERSFIELD TOWN COUNCIL

ENTER PUBLICLY AVAILABLE WEBSITE/WEBPAGE ADDRESS

During the financial year ended 31 March 2021, this authority's internal auditor acting independently and on the basis of an assessment of risk, carried out a selective assessment of compliance with the relevant procedures and controls in operation and obtained appropriate evidence from the authority.

The internal audit for 2020/21 has been carried out in accordance with this authority's needs and planned coverage. On the basis of the findings in the areas examined, the internal audit conclusions are summarised in this table. Set out below are the objectives of internal control and alongside are the internal audit conclusions on whether, in all significant respects, the control objectives were being achieved throughout the financial year to a standard adequate to meet the needs of this authority.

Internal control objective	Yes	No*	Not covered**
A. Appropriate accounting records have been properly kept throughout the financial year.	✓		
B. This authority complied with its financial regulations, payments were supported by invoices, all expenditure was approved and VAT was appropriately accounted for.	✓		
C. This authority assessed the significant risks to achieving its objectives and reviewed the adequacy of arrangements to manage these.	✓		
D. The precept or rates requirement resulted from an adequate budgetary process; progress against the budget was regularly monitored; and reserves were appropriate.	✓		
E. Expected income was fully received, based on correct prices, properly recorded and promptly banked; and VAT was appropriately accounted for.	✓		
F. Petty cash payments were properly supported by receipts, all petty cash expenditure was approved and VAT appropriately accounted for.	✓		
G. Salaries to employees and allowances to members were paid in accordance with this authority's approvals, and PAYE and NI requirements were properly applied.	✓		
H. Asset and investments registers were complete and accurate and properly maintained.	✓		
I. Periodic bank account reconciliations were properly carried out during the year.	✓		
J. Accounting statements prepared during the year were prepared on the correct accounting basis (receipts and payments or income and expenditure), agreed to the cash book, supported by an adequate audit trail from underlying records and where appropriate debtors and creditors were properly recorded.	✓		
K. If the authority certified itself as exempt from a limited assurance review in 2019/20, it met the exemption criteria and correctly declared itself exempt. (If the authority had a limited assurance review of its 2019/20 AGAR tick "not covered")			N/A
L. If the authority has an annual turnover not exceeding £25,000, it publishes information on a website/webpage up to date at the time of the internal audit in accordance with the Transparency code for smaller authorities.			N/A
M. The authority, during the previous year (2019-20) correctly provided for the period for the exercise of public rights as required by the Accounts and Audit Regulations (evidenced by the notice published on the website and/or authority approved minutes confirming the dates set).	✓		
N. The authority has complied with the publication requirements for 2019/20 AGAR (see AGAR Page 1 Guidance Notes).	✓		

	Yes	No	Not applicable
O. (For local councils only) Trust funds (including charitable) – The council met its responsibilities as a trustee.	✓		

For any other risk areas identified by this authority adequate controls existed (list any other risk areas on separate sheets if needed).

Date(s) internal audit undertaken

Name of person who carried out the internal audit

19/11/2020 10/03/2021 21/04/2021

ELIZABETH S. GREEN AUDITOR

Signature of person who carried out the internal audit

[Signature] SIGNATURE REQUIRED

Date 21/4/21

*If the response is 'no' please state the implications and action being taken to address any weakness in control identified (add separate sheets if needed).

**Note: If the response is 'not covered' please state when the most recent internal audit work was done in this area and when it is next planned; or, if coverage is not required, the annual internal audit report must explain why not (add separate sheets if needed).

Section 1 – Annual Governance Statement 2020/21

We acknowledge as the members of:

El Petersfield Town Council

our responsibility for ensuring that there is a sound system of internal control, including arrangements for the preparation of the Accounting Statements. We confirm, to the best of our knowledge and belief, with respect to the Accounting Statements for the year ended 31 March 2021, that:

	Agreed		‘Yes’ means that this authority:
	Yes	No*	
1. We have put in place arrangements for effective financial management during the year, and for the preparation of the accounting statements.	✓		prepared its accounting statements in accordance with the Accounts and Audit Regulations.
2. We maintained an adequate system of internal control including measures designed to prevent and detect fraud and corruption and reviewed its effectiveness.	✓		made proper arrangements and accepted responsibility for safeguarding the public money and resources in its charge.
3. We took all reasonable steps to assure ourselves that there are no matters of actual or potential non-compliance with laws, regulations and Proper Practices that could have a significant financial effect on the ability of this authority to conduct its business or manage its finances.	✓		has only done what it has the legal power to do and has complied with Proper Practices in doing so.
4. We provided proper opportunity during the year for the exercise of electors’ rights in accordance with the requirements of the Accounts and Audit Regulations.	✓		during the year gave all persons interested the opportunity to inspect and ask questions about this authority’s accounts.
5. We carried out an assessment of the risks facing this authority and took appropriate steps to manage those risks, including the introduction of internal controls and/or external insurance cover where required.	✓		considered and documented the financial and other risks it faces and dealt with them properly.
6. We maintained throughout the year an adequate and effective system of internal audit of the accounting records and control systems.	✓		arranged for a competent person, independent of the financial controls and procedures, to give an objective view on whether internal controls meet the needs of this smaller authority.
7. We took appropriate action on all matters raised in reports from internal and external audit.	✓		responded to matters brought to its attention by internal and external audit.
8. We considered whether any litigation, liabilities or commitments, events or transactions, occurring either during or after the year-end, have a financial impact on this authority and, where appropriate, have included them in the accounting statements.	✓		disclosed everything it should have about its business activity during the year including events taking place after the year end if relevant.
9. (For local councils only) Trust funds including charitable. In our capacity as the sole managing trustee we discharged our accountability responsibilities for the fund(s)/assets, including financial reporting and, if required, independent examination or audit.	Yes	No	N/A
	✓		has met all of its responsibilities where, as a body corporate, it is a sole managing trustee of a local trust or trusts.

*Please provide explanations to the external auditor on a separate sheet for each ‘No’ response and describe how the authority will address the weaknesses identified. These sheets must be published with the Annual Governance Statement.

This Annual Governance Statement was approved at a meeting of the authority on:

DD/MM/YY

and recorded as minute reference:

MINUTE REFERENCE

Signed by the Chairman and Clerk of the meeting where approval was given:

Chairman

SIGNATURE REQUIRED

Clerk

SIGNATURE REQUIRED

www.petersfield-tc.gov.uk PUBLICLY AVAILABLE WEBSITE/WEBPAGE ADDRESS

Section 2 – Accounting Statements 2020/21 for

Petersfield Town Council

	Year ending		Notes and guidance
	31 March 2020 £	31 March 2021 £	
1. Balances brought forward	1,869,974	1,760,121	Total balances and reserves at the beginning of the year as recorded in the financial records. Value must agree to Box 7 of previous year.
2. (+) Precept or Rates and Levies	634,522	849,852	Total amount of precept (or for IDBs rates and levies) received or receivable in the year. Exclude any grants received.
3. (+) Total other receipts	723,213	559,652	Total income or receipts as recorded in the cashbook less the precept or rates/levies received (line 2). Include any grants received.
4. (-) Staff costs	408,201	448,031	Total expenditure or payments made to and on behalf of all employees. Include gross salaries and wages, employers NI contributions, employers pension contributions, gratuities and severance payments.
5. (-) Loan interest/capital repayments	0	0	Total expenditure or payments of capital and interest made during the year on the authority's borrowings (if any).
6. (-) All other payments	1,059,387	1,033,516	Total expenditure or payments as recorded in the cashbook less staff costs (line 4) and loan interest/capital repayments (line 5).
7. (=) Balances carried forward	1,760,121	1,688,079	Total balances and reserves at the end of the year. Must equal (1+2+3) - (4+5+6).
8. Total value of cash and short term investments	1,712,414	1,755,961	The sum of all current and deposit bank accounts, cash holdings and short term investments held as at 31 March – To agree with bank reconciliation.
9. Total fixed assets plus long term investments and assets	12,237,913	12,443,972	The value of all the property the authority owns – it is made up of all its fixed assets and long term investments as at 31 March.
10. Total borrowings	0	0	The outstanding capital balance as at 31 March of all loans from third parties (including PWLB).
11. (For Local Councils Only) Disclosure note re Trust funds (including charitable)	Yes	No	The Council, as a body corporate, acts as sole trustee for and is responsible for managing Trust funds or assets.
	✓		N.B. The figures in the accounting statements above do not include any Trust transactions.

I certify that for the year ended 31 March 2021 the Accounting Statements in this Annual Governance and Accountability Return have been prepared on either a receipts and payments or income and expenditure basis following the guidance in Governance and Accountability for Smaller Authorities – a Practitioners' Guide to Proper Practices and present fairly the financial position of this authority.

Signed by Responsible Financial Officer before being presented to the authority for approval

SIGNATURE REQUIRED

Date 22/04/2021

I confirm that these Accounting Statements were approved by this authority on this date:

DD/MM/YY

as recorded in minute reference:

MINUTE REFERENCE

Signed by Chairman of the meeting where the Accounting Statements were approved

SIGNATURE REQUIRED

Section 3 – External Auditor’s Report and Certificate 2020/21

In respect of

El Petersfield Town Council

1 Respective responsibilities of the auditor and the authority

Our responsibility as auditors to complete a **limited assurance review** is set out by the National Audit Office (NAO). A limited assurance review is **not a full statutory audit**, it does not constitute an audit carried out in accordance with International Standards on Auditing (UK & Ireland) and hence it **does not** provide the same level of assurance that such an audit would. The UK Government has determined that a lower level of assurance than that provided by a full statutory audit is appropriate for those local public bodies with the lowest levels of spending.

Under a limited assurance review, the auditor is responsible for reviewing Sections 1 and 2 of the Annual Governance and Accountability Return in accordance with NAO Auditor Guidance Note 02 (AGN 02) as issued by the NAO on behalf of the Comptroller and Auditor General. AGN 02 is available from the NAO website – <https://www.nao.org.uk/code-audit-practice/guidance-and-information-for-auditors/>.

This authority is responsible for ensuring that its financial management is adequate and effective and that it has a sound system of internal control. The authority prepares an Annual Governance and Accountability Return in accordance with *Proper Practices* which:

- summarises the accounting records for the year ended 31 March 2021; and
- confirms and provides assurance on those matters that are relevant to our duties and responsibilities as external auditors.

2 External auditor’s limited assurance opinion 2020/21

(Except for the matters reported below)* on the basis of our review of Sections 1 and 2 of the Annual Governance and Accountability Return, in our opinion the information in Sections 1 and 2 of the Annual Governance and Accountability Return is in accordance with Proper Practices and no other matters have come to our attention giving cause for concern that relevant legislation and regulatory requirements have not been met. (*delete as appropriate).

(continue on a separate sheet if required)

Other matters not affecting our opinion which we draw to the attention of the authority:

(continue on a separate sheet if required)

3 External auditor certificate 2020/21

We certify/do not certify* that we have completed our review of Sections 1 and 2 of the Annual Governance and Accountability Return, and discharged our responsibilities under the Local Audit and Accountability Act 2014, for the year ended 31 March 2021.

*We do not certify completion because:

External Auditor Name

ENTER NAME OF EXTERNAL AUDITOR

External Auditor Signature

SIGNATURE REQUIRED

Date

DD/MM/YY



Initial Ideas for Armistice Day – Thu 11 November 2021

1. Background

1.1 Following on from the planning of a number of Anniversaries in 2021, Armistice Day has been identified as the most popular date to carry out the following:

- Annual Act of Remembrance – format as for previous years
- A Service of Dedication for the Award of the RBL Pennant for the Petersfield Standard.
- Stone Dedication 75th Anniversary

1.2 It should be noted that we may still be dependent on any National restrictions of gathering. So it may be that we reduce the attendance and activities as required so long as we achieve the principles we are aiming for thus negating any further postponement. In addition we would not wish to overshadow the Main Annual Event of Remembrance Sunday for which planning hopefully will resume as per normal.

1.3 First off – we aim high (as ever). However much will depend on other views.

2. Proposed Programme

2.1 Initial vision and format is suggested as follows:-

- Form Up/Parade at the War Memorial – attendance depends on availability
- Act of Remembrance as per
- Dedication of the Standard Pennant – including formal presentation from the Town Mayor to RBL President / Chairman.
- Parade 'processes' to Allied Stone Site – if a larger parade escorted by Police presence
- Allied Stone Dedication followed by General Salute of some sort
- Light Refreshments in Rose Room

3. Guests

3.1 This could be an opportunity to invite guests – it is not considered a major (major) event due to Remembrance Sunday following on 14 Nov 21. A list is proposed as follows:

- Chairman – EHDC
- Two County Councillors
- Leader and Deputy Leader EHDC
- 5 x EHDC Councillors
- PTC Mayor and Councillors as hosts
- School Reps – to be discussed as they may be doing their own 'thing'

4. Logistics

The following will need to be addressed in the near future if going ahead:-

- Temp Road Closure/Police Presence
- Band / Drummer?
- Souvenir Programme for the Event
- Booking of Rose Room (if vaccination programme allows etc)
- Provision of Refreshments

4. Summary

4.1 The nature of the event is still being worked on but again will depend on national situation at the time and also the availability of organisations/individuals. Council will be kept informed.

<Ends>

Date: 01/04/2021

Petersfield Town Council NEW

Page 1

Time: 15:58

Current/Savings Bank A/c



List of Payments made between 01/03/2021 and 31/03/2021

<u>Date Paid</u>	<u>Payee Name</u>	<u>Reference</u>	<u>Amount Paid</u>	<u>Authorized Ref</u>	<u>Transaction Detail</u>
01/03/2021	Eden Springs UK Ltd	ESUKL	24.19		Office water
01/03/2021	TV Licensing	TVL001	157.50		Purchase Ledger DDR Payment
01/03/2021	Wex Europe Services (uk) Ltd	WEC_b	158.17		Purchase Ledger DDR Payment
01/03/2021	Lex Autolease Limited	LXL001	355.50		Purchase Ledger DDR Payment
03/03/2021	WPS Insurance Brokers & Risk S	WPS/Mar	1,111.82		CouncilGuard - renewal
05/03/2021	L&S Waste Management Ltd	LSWM	318.00		Skip hire
05/03/2021	The Play Inspection Company Lt	PICL	503.58		Outdoor annual inspections
05/03/2021	Elite Playground Inspections	SASP	90.00		Replace net at heath
05/03/2021	Trade UK	SFD	68.37		Refurb supplies
05/03/2021	Tudor (UK) Ltd t/a Tudor Envir	TE01	18.48		Karabiners 45kn
08/03/2021	Wex Europe Services (uk) Ltd	WEC	341.06		Fuel - truck & equipment
10/03/2021	Foster Wilson Architects	FW001	50,000.00		1 of 5 for RIBA Stage 3
10/03/2021	Kalamazoo (Adare SEC Ltd)	KSPL	469.14		Minute book sheets
10/03/2021	British Telecommunications plc	BT/Feb	1,488.58		Phone, broadband etc
11/03/2021	Foster Wilson Architects	FW001_	54,421.60		1 of 5 for RIBA Stage 3
11/03/2021	LeasePlan UK Ltd	NET	358.62		Truck rental HX67 RZO
12/03/2021	HMRC PAYE/NI Feb	PAYE/NI 11	6,568.80		HMRC PAYE/NI Feb
12/03/2021	Ampella Maintenance Ltd	AML001	166.58		Boiler maintenance
12/03/2021	Agrovista UK Ltd t/a Pitchcare	AUKL001	993.60		Plifix grass tufts
12/03/2021	Broxap Ltd	BROX	345.60		2 removable bollards
12/03/2021	CIPFA	CIPFA	210.00		VAT advice subscription
12/03/2021	CPC	CPC	294.46		CCTV for Town Hall
12/03/2021	Fireskills Ltd	FSK	816.00		Fire risk assessments
12/03/2021	H. Monfared (Builders) Ltd	HMBL	1,257.01		SSE-related work
12/03/2021	JB Corrie & Co Ltd	JBCL001	64.56		Panels and posts
12/03/2021	Martin Cashmore Fencing Ltd	MCFL001	32.57		Posts for Heath toddler area
12/03/2021	Trade UK	SFD	1,134.55		Office refurb supplies
12/03/2021	SGL Forestry Ltd	SGLF01	1,174.80		Tree work at Tilmore allotment
12/03/2021	Sage (UK) Ltd	TAS	244.80		Pensions module
12/03/2021	Travis Perkins Trading Company	TP	117.39		Cutting disc and boots
12/03/2021	U.K. OFFICE SYSTEMS LTD	UKOS	765.19		Copier charges
12/03/2021	VoxIT Limited	VOX	120.00		Server support/maintenance
12/03/2021	Winchester Garden Machinery	WGM	101.52		Chain oil & 2-stroke
12/03/2021	Dyce Energy Ltd	DEL001	147.35		Gas - Ave Pav
12/03/2021	Quadient UK Ltd	NP	52.19		Postage
12/03/2021	Lloyds Fees & Charges	LL CHARGES	12.92		Lloyds Fees & Charges 12
15/03/2021	SmartestEnergy Business Ltd -	DEHT	104.12		Electric - Heath toilets
15/03/2021	Wex Europe Services (uk) Ltd	WEC	152.28		Fuel - grounds trucks
15/03/2021	Lloyds Credit Card	C/Card DD	42.99		Credit card Feb DD
15/03/2021	Crown Oil Ltd t/a Crown Gas &	CGP001	1,436.16		Gas - Town & Festival Hall
16/03/2021	Traditional Stone Restoration	TRAD1263	1,420.39		Granite stone -engraved
16/03/2021	Yu Energy Retail Limited	YERL001	36.30		Electric - Ave Pav
16/03/2021	Haven Power Ltd	HP	943.81		Electric - Town & Fest Hall
16/03/2021	Pear Technology Services Ltd	PT	240.00		Tech support & software update
16/03/2021	Alpha Graphics	AG	640.80		Stay Safe banners
18/03/2021	Milk & More	MILK	6.80		Office milk
18/03/2021	Elite Playground Inspections	SASP	310.00		Monthly inspections

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List of Payments made between 01/03/2021 and 31/03/2021

<u>Date Paid</u>	<u>Payee Name</u>	<u>Reference</u>	<u>Amount Paid</u>	<u>Authorized Ref</u>	<u>Transaction Detail</u>
18/03/2021	Travis Perkins Trading Company	TP	62.51		Plaster & board
18/03/2021	Ellis Whittam Ltd - Insurance	EWI001	345.72		Insurance
18/03/2021	Ellis Whittam Limited	EW	2,584.36		Combined core - year 3
18/03/2021	HAMPSHIRE COUNTY COUNCIL	HCC	211.03		Janitorial supplies
18/03/2021	Imp & Dev Agency for Local Gov	LGA	561.60		Employer link subscription
18/03/2021	Martin Cashmore Fencing Ltd	MCFL001	345.00		Sleepers etc
18/03/2021	Microshade Business Consultant	MICRO	992.16		Software support & maintenance
18/03/2021	Society of Local Council Clerk	SLCC	166.00		Membership - Michelle Snow
18/03/2021	Winchester Garden Machinery	WGM	25.18		Coupling sleeve
18/03/2021	Dep Rtn Playball S17886	PLAYBALL	150.00		Dep Rtn Playball S17886
19/03/2021	Staff wages March 2021	STAFFWAG12	22,546.60		Staff wages March 2021
22/03/2021	LGPS Hants Pension March 21	PENSION 12	7,090.47		LGPS Hants Pension March 21
22/03/2021	Wex Europe Services (uk) Ltd	WEC	204.64		Fuel - truck & equipment
24/03/2021	Beaver Tool Hire	BTH	133.20		Digger hire, oil & tape measur
24/03/2021	CPC	CPC	297.84		CCTV equipment
24/03/2021	Rake Garden Centre	RGC001	9.88		Builders sand
24/03/2021	Southern Planning Practice Ltd	SPPL01	2,628.60		Fees for pond planning
24/03/2021	VoxIT Limited	VOX	60.00		Web design/coding
24/03/2021	St John Ambulance Shared Servi	SJA001	276.00		First aid course - A Rickhuss
24/03/2021	Rake Garden Centre	RGC001	1.97		Builders sand
25/03/2021	Cavendish Communications	CC	133.80		Mobile calls & charges
25/03/2021	Focus Group	FOC	297.55		Calls, rental & charges
26/03/2021	Boppin C D'Cruze Dep RtnS17720	BOPPINCRUZ	250.00		Boppin C D'Cruze Dep RtnS17720
26/03/2021	M Organ Dep Rtn S7033	M ORGAN	150.00		M Organ Dep Rtn S7033
26/03/2021	Milk & More	MILK	6.80		Office milk
26/03/2021	Brendon Powerwashers	BPW	31.14		Inline strainer
26/03/2021	Blendworth Tyres Ltd	BTL	27.00		Breakaway cable
26/03/2021	CPC	CPC	38.35		Junction boxes
26/03/2021	Fields in Trust	FIT	65.00		Membership fee
26/03/2021	HAMPSHIRE COUNTY COUNCIL	HCC	552.29		Janitorial supplies
26/03/2021	H. Monfared (Builders) Ltd	HMBL	1,056.00		Plastering reception
26/03/2021	SGL Forestry Ltd	SGLF01	720.00		Elm removal
26/03/2021	Tudor (UK) Ltd t/a Tudor Envir	TE01	93.90		Gloves, safety glasses & oil
26/03/2021	Travis Perkins Trading Company	TP	189.61		Screws & handsaw
26/03/2021	U.K. OFFICE SYSTEMS LTD	UKOS	114.00		Printer callout
26/03/2021	Messagemaker Displays Ltd	MDL001	3,360.00		Speed detection equipment
26/03/2021	SSE Scottish Hydro/SSE Energy	SSESH01	341.07		Electric - depot
29/03/2021	Eden Springs UK Ltd	ESUKL	24.38		Office water
29/03/2021	Castle Water Ltd	CWL001/OAc	116.86		Purchase Ledger DDR Payment
29/03/2021	Veolia ES (UK) Ltd	OUKL	297.89		Waste removal
29/03/2021	Wex Europe Services (uk) Ltd	WEC	314.22		Fuel - truck & equipment
31/03/2021	AM Davis Dep Rtn S17741	AMD001	150.00		AM Davis Dep Rtn S17741
31/03/2021	G Germey Allot Dep Rtn 25B	017239	60.00		G Germey Allot Dep Rtn 25B
31/03/2021	Boorer Lock & Safe Co Ltd	BLS	256.00		Heath Barrier lock repair & Pa
31/03/2021	ACD Environmental Ltd	ACDEL	630.00		Penns field B impact assess
31/03/2021	Beaver Tool Hire	BTH	82.70		Floor saw hire Love lane
31/03/2021	EAST HANTS DISTRICT COUNCIL EHDC169340		1,000.00		Depot rent

Date: 01/04/2021

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Current/Savings Bank A/c

List of Payments made between 01/03/2021 and 31/03/2021

<u>Date Paid</u>	<u>Payee Name</u>	<u>Reference</u>	<u>Amount Paid</u>	<u>Authorized Ref</u>	<u>Transaction Detail</u>
31/03/2021	C. Kates & Son	KATES	63.36		Fix burst water pipe
31/03/2021	Travis Perkins Trading Company	TP	10.30		Galvanised wire coil
31/03/2021	First Data	FD	25.60		Lease - credit card equipment
31/03/2021	SUEZ Recycling and Recovery UK	SITA/SUEZ	1,408.51		Waste removal
Total Payments			<u>180,397.24</u>		