Marchwood Parish Council
Marchwood Village Hall, Village Centre, Marchwood SO40 4SF
Tel: 02380 860273 Email: Office@marchwoodparish.gov.uk

Dear Councillor, you are hereby summoned to attend the Annual Meeting of Marchwood Parish Council to be held in the Pine Room, Marchwood Village Hall on Monday 19 May 2024 at 7.30pm

Tina Dudley, Clerk to the Parish Council 13 May 2025

AGENDA

1. **Election of Chairman 2025 – 2026**

   To elect by resolution the Chairman of the Council for the municipal year 2025-2026.
   The Chairman will sign the declaration of acceptance of office.

2. **Election of Vice Chairman 2025 – 2026**

   To elect by resolution the Vice Chairman of the Council for the municipal year 2025 – 2026

3. **Apologies**

   To receive and consider for acceptance any Member apologies for absence and approve by resolution.

4. **Declarations of Interest**

   Members and officers are invited to make any declarations of interest that they may have in relation to an item on the agenda and are reminded to make any declarations at any stage during the meeting if it becomes apparent that it may be required.

5. **Public Participation**

   For the public and press to ask questions on matters relating to items on the agenda.

6. **Minutes**

   To approve the minutes of the Council meeting held on 24 February 2025 as a correct record and duly signed by the Chairman (appendix A).

7. **Standing Orders**

   To review and adopt the Standing Orders 2025 (appendix B).

8. **Financial Regulations**

   To review and adopt Financial Regulations 2025 (appendix C).

9. **Membership of Committees**

a. To appoint Members to the Council’s Committees: Planning, Amenities, Policy and Resources and Personnel (Appendix D).

b. To appoint a Chairman for each of the Committees for the municipal year 2025-2026.

c. To review the Terms of Reference for the Council’s Committees (Appendix E).

10. Outside Bodies

To consider and appoint Councillor representation to the Outside Bodies for the municipal year 2025-2026 (appendix F).

11. Internal Audit

1. To confirm the Independence of the Internal Auditor.
2. To note the Internal Audit report for March 2025 (Appendix G)

12. Annual Governance Accountability Return 2024/2025

1. To receive and note the Annual Internal Audit report 2024 – 2025 (Appendix Hi)
2. To approve the Annual Governance Statement 2024 – 2025 (section 1) (Appendix Hii)
3. To approve the Accounting Statement 2024 - 2025 (section 2), (Appendix Hiii).
4. To approve the commencement date for the exercise of public rights (Appendix Hiv).
5. To authorise the Chairman and Clerk to sign Section 1 and Chairman and RFO to sign Section 2 of the Annual Governance and Accountability Return.
6. Conflict of Interest with BDO LLP, to confirm if there is or not any conflicts of interest with BDO LLP. (Appendix Hv).

13. Solar Panel at the Lloyd Recreation Ground

To consider the business case for Solar Panels on the roof of the Pavilion, Lloyd Recreation Ground (Appendix I).

14. Air Source Heat Pump at the Lloyd Recreation Ground

To consider the business case for an Air Source Heat Pump in the Pavilion, Lloyd Recreation Ground (Appendix J).

15. Hot Water Cylinder

To consider the business case for a Hot Water Cylinder for the Pavilion, Lloyd Recreation Ground (Appendix K).

16. Close of meeting and date of next meeting.

Date of next meeting 22 September 2025.

Marchwood Parish Council

Minutes of the Full Council Meeting of Marchwood Parish Council held at Pine Room, Village Hall, Marchwood on Monday 25 February 2025 at 7.30pm

Present: N Buckett, J Case (Chairman), D Hindle, J Leath, K Petty, M Proctor, M Saxby, and L Shelley.

In Attendance: Tina Dudley, Parish Clerk, Angela Woodward, Deputy Clerk and RFO.

Apologies

PC/25/062 – Apologies for absence were received from P Mballa, he would join the meeting following the NFDC meeting.

Declarations of Interest

PC/25/063 – There were no declarations of interest for this meeting.

Public Participation

PC/25/064 – No members of the public attended for this item.

Minutes

PC/25/065 – Resolved – To accept the minutes of the Council meeting held on Monday 16 December 2024 as a true and accurate record and duly signed by the Chairman.

Reports from HCC County Councillor

Apologies for absence was received from Cllr Harrison and Cllr Young due to a meeting at NFDC.

PC/25/066 – Cllr Harrison, HCC Councillor. – Members noted the report provided the following queries were raised: Why was the Parish Council not informed of the plans directly effecting Marchwood for the A326 prior to the consultation taking place.

Clarification was sought to what devolution would look like for the future of NFDC and Hampshire going forward. Who/what would residents be voting for in the 2026 elections?

The Clerk read out a report from Cllr Young, NFDC. Cllr Case had been involved with the issues residents were having with water run off onto Tavells and the impact on residential properties on Tavells.

All other issues were noted.

Outside Organisation

PC/25/067 – Cllr Case had attended meetings of the Handy Trust who were keen to expand their services, he hoped this would not be at a cost to the existing services delivery.

Risk Assessment of Financial Systems Internal Controls – March 2025

PC/25/068 – Resolved that the Risk Assessment of Financial systems 2025 and Internal Controls be approved.

Asset Register 2025

PC/25/069 – Resolved – Members agreed that assets of £100 minimum would be added to the register going forward.

Resolved – to approve the Asset Register March 2025.

Investment Strategy March 2025

PC/25/070 – A member noted the incorrect committee named in Investment Objectives, section 5, it was agreed the Clerk would correct the error.

Resolved – to approve the Investment Strategy 2025 subject to the amendment of the committee's name at Investment Objectives, section 5.

Sale of Isuzu Ground Staff Vehicles

PC/25/071 – The Clerk informed Council that the first vehicle a hybrid/electric vehicle had been delivered, the Ford drop side was on order.

Resolved – to approve the sale of the ISUZU vehicles by the Clerk/RFO in consultation with the Chairman and Vice Chairman of the Council.

Lloyd Recreation Fire Risk Assessment

PC/25/072 – Council raised several issues with the Fire Risk Assessment primarily not being detailed enough in that it required additional measures to address the risks 'how the risk was controlled'.

It was agreed that the issues raised would be collated following the meeting and the risk assessor asked to address the additional issues.

Further concern was raised about lithium batteries and the danger they imposed.

It was agreed that future booking forms would include information prohibiting any lithium powered equipment not being allowed within the building by users or hirers.

Resolved – to carry out the actions required, funded from the contingency budget. Additional measures were to be included in the risk assessment and actioned following a further review and consultation with the assessor.

Local Plan Consultation

PC/25/073 – Members were informed of the second meeting to review the Issues and Scope Consultation document on Tuesday 25 February 2025, all Councillors were invited to attend.

Resolved – Councillors agreed that the final comments on the Local Plan Issues and Scope Consultation would be considered for approval and submission to the planning authority at the Planning Committee meeting on Monday 18 March 2025.

Annual Parishioners Meeting and Date of the Christmas Fayre 2025

PC/25/074 – Noted the Annual Parishioners Meeting was to be held on Monday 28 April 2025. The Christmas Fayre was to be held on Saturday 13 December 2025, 3pm to 8pm.

Members were further reminded of VE Day on 8 May 2025 and a small service by the RFA, Sir Galahad Association, with a wreath laying ceremony on 5pm on 8 June 2025, all members were invited to attend a get together afterwards and were asked to confirm their attendance.

Close of meeting and Date of next meeting

The meeting closed at 9.10pm. The next meeting Annual Council 19 May 2025.

Marchwood Parish Council Standing Orders

INTRODUCTION

Standing orders are the written rules of a local council. Standing orders are essential to regulate the proceedings of a meeting. A council may also use standing orders to confirm or refer to various internal organisational and administrative arrangements. The standing orders of a council are not the same as the policies of a council, but standing orders may refer to them.

Local councils operate within a wide statutory framework. NALC model standing orders incorporate and reference many statutory requirements to which councils are subject. It is not possible for the model standing orders to contain or reference all the statutory or legal requirements which apply to local councils. For example, it is not practical for model standing orders to document all obligations under data protection legislation. The statutory requirements to which a council is subject apply whether or not they are incorporated in a council's standing orders.

The model standing orders do not include model financial regulations. Financial regulations are standing orders to regulate and control the financial affairs and accounting procedures of a local council. The financial regulations, as opposed to the standing orders of a council, include most of the requirements relevant to the council's Responsible Financial Officer.

1. RULES OF DEBATE AT MEETINGS

a Motions on the agenda shall be considered in the order that they appear unless the order is changed at the discretion of the chair of the meeting.

b A motion (including an amendment) shall not be progressed unless it has been moved and seconded.

c A motion on the agenda that is not moved by its proposer may be treated by the chair of the meeting as withdrawn.

d If a motion (including an amendment) has been seconded, it may be withdrawn by the proposer only with the consent of the seconder and the meeting.

e An amendment is a proposal to remove or add words to a motion. It shall not negate the motion.

f If an amendment to the original motion is carried, the original motion (as amended) becomes the substantive motion upon which further amendment(s) may be moved.

g An amendment shall not be considered unless early verbal notice of it is given at the meeting and, if requested by the chair of the meeting, is expressed in writing to the chair.

h A councillor may move an amendment to their own motion if agreed by the meeting. If a motion has already been seconded, the amendment shall be with the consent of the seconder and the meeting.

i If there is more than one amendment to an original or substantive motion, the amendments shall be moved in the order directed by the chair of the meeting.

j Subject to standing order 1(k), only one amendment shall be moved and debated at a time, the order of which shall be directed by the chair of the meeting.

k One or more amendments may be discussed together if the chair of the meeting considers this expedient, but each amendment shall be voted upon separately.

l A councillor may not move more than one amendment to an original or substantive motion.

m The mover of an amendment has no right of reply at the end of debate on it.

n Where a series of amendments to an original motion are carried, the mover of the original motion shall have a right of reply either at the end of debate on the first amendment or at the very end of debate on the final substantive motion immediately before it is put to the vote.

o Unless permitted by the chair of the meeting, a councillor may speak once in the debate on a motion except:

i. to speak on an amendment moved by another councillor.

ii. to move or speak on another amendment if the motion has been amended since he last spoke.

iii. to make a point of order.

iv. to give a personal explanation, or

v. to exercise a right of reply.

p During the debate on a motion, a councillor may interrupt only on a point of order or a personal explanation and the councillor who was interrupted shall stop speaking. A councillor raising a point of order shall identify the standing order which he considers has been breached or specify the other irregularity in the proceedings of the meeting he is concerned by.

q A point of order shall be decided by the chair of the meeting and their decision shall be final.

r When a motion is under debate, no other motion shall be moved except:

i. to amend the motion;

ii. to proceed to the next business;

iii. to adjourn the debate;

iv. to put the motion to a vote;

v. to ask a person to be no longer heard or to leave the meeting;

vi. to refer a motion to a committee or sub-committee for consideration;

vii. to exclude the public and press;

viii. to adjourn the meeting; or

ix. to suspend particular standing order(s) excepting those which reflect mandatory statutory or legal requirements.

s Before an original or substantive motion is put to the vote, the chair of the meeting shall be satisfied that the motion has been sufficiently debated and that the mover of the motion under debate has exercised or waived their right of reply.

t Excluding motions moved understanding order 1(r), the contributions or speeches by a councillor shall relate only to the motion under discussion and shall not exceed 5 minutes without the consent of the chair of the meeting.

2. DISORDERLY CONDUCT AT MEETINGS

a No person shall obstruct the transaction of business at a meeting or behave offensively or improperly. If this standing order is ignored, the chair of the meeting shall request such person(s) to moderate or improve their conduct.

b If person(s) disregard the request of the chair of the meeting to moderate or improve their conduct, any councillor or the chairman of the meeting may move that the person be no longer heard or be excluded from the meeting. The motion, if seconded, shall be put to the vote without discussion.

c If a resolution made under standing order 2(b) is ignored, the chair of the meeting may take further reasonable steps to restore order or to progress the meeting. This may include temporarily suspending or closing the meeting.

3. MEETINGS GENERALLY

Full Council meetings ●
Committee meetings ●
Sub-committee meetings ●

● a **Meetings shall not take place in premises which at the time of the meeting are used for the supply of alcohol, unless no other premises are available free of charge or at a reasonable cost.**

● b **The minimum three clear days for notice of a meeting does not include the day on which notice was issued, the day of the meeting, a Sunday, a day of the Christmas break, a day of the Easter break or of a bank holiday or a day appointed for public thanksgiving or mourning.**

● c **The minimum three clear days' public notice of a meeting does not include the day on which the notice was issued or the day of the meeting.**

● ● d **Meetings shall be open to the public unless their presence is prejudicial to the public interest by reason of the confidential nature of the business to be transacted or for other special reasons. The public's exclusion from part or all of a meeting shall be by a resolution which shall give reasons for the public's exclusion.**

e Members of the public may make representations, answer questions and give evidence at a meeting which they are entitled to attend in respect of the business on the agenda.

f The period of time designated for public participation at a meeting in accordance with standing order 3(e) shall not exceed 15 minutes unless directed by the chair of the meeting.

g Subject to standing order 3(f), a member of the public shall not speak for more than 3 minutes.

h In accordance with standing order 3(e), a question shall not require a response at the meeting nor start a debate on the question. The chair of the meeting may direct that a written or oral response be given.

i A person shall raise their hand when requesting to speak

j A person who speaks at a meeting shall direct their comments to the chair of the meeting.

k Only one person is permitted to speak at a time. If more than one person wants to speak, the chair of the meeting shall direct the order of speaking.

● ● l **Subject to standing order 3(m), a person who attends a meeting is permitted to report on the meeting whilst the meeting is open to the public. To “report” means to film, photograph, make an audio recording of meeting proceedings, use any other means for enabling persons not present to see or hear the meeting as it takes place or later or to report or to provide oral or written commentary about the meeting so that the report or commentary is available as the meeting takes place or later to persons not present.**

● ● m **A person present at a meeting may not provide an oral report or oral commentary about a meeting as it takes place without permission.**

● ● n **The press shall be provided with reasonable facilities for the taking of their report of all or part of a meeting at which they are entitled to be present.**

● o **Subject to standing orders which indicate otherwise, anything authorised or required to be done by, to or before the Chair of the Council may in their absence be done by, to or before the Vice-Chair of the Council.**

● p **The Chair of the Council, if present, shall preside at a meeting. If the Chair is absent from a meeting, the Vice-Chair of the Council if present, shall preside. If both the Chair and the Vice-Chair are absent from a meeting, a councillor as chosen by the councillors present at the meeting shall preside at the meeting.**

● ● ● q **Subject to a meeting being quorate, all questions at a meeting shall be decided by a majority of the councillors and non-councillors with voting rights present and voting.**

● ● ● r **The chair of a meeting may give an original vote on any matter put to the vote, and in the case of an equality of votes may exercise their casting vote whether or not he gave an original vote.**

See standing orders 5(h) and (i) for the different rules that apply in the election of the Chair of the Council at the annual meeting of the Council.

● s **Unless standing orders provide otherwise, voting on a question shall be by a show of hands. At the request of a councillor, the voting on any question shall be recorded so as to show whether each councillor**

present and voting gave their vote for or against that question. Such a request shall be made before moving on to the next item of business on the agenda.

t The minutes of a meeting shall include an accurate record of the following:

i. the time and place of the meeting;

ii. the names of councillors who are present and the names of councillors who are absent;

iii. interests that have been declared by councillors and non-councillors with voting rights;

iv. the grant of dispensations (if any) to councillors and non-councillors with voting rights;

v. whether a councillor or non-councillor with voting rights left the meeting when matters that they held interests in were being considered;

vi. if there was a public participation session; and

vii. the resolutions made.

● ● ● u **A councillor or a non-councillor with voting rights who has a disclosable pecuniary interest or another interest as set out in the Council's code of conduct in a matter being considered at a meeting is subject to statutory limitations or restrictions under the code on their right to participate and vote on that matter.**

● v **No business may be transacted at a meeting unless at least one-third of the whole number of members of the Council are present and in no case shall the quorum of a meeting be less than three.**

See standing order 4d(viii) for the quorum of a committee or sub-committee meeting.

● ● ● w **If a meeting is or becomes inquorate no business shall be transacted,** and the meeting shall be closed. The business on the agenda for the meeting shall be adjourned to another meeting.

x A meeting shall not exceed a period of 2.5 hours.

4. COMMITTEES AND SUB-COMMITTEES

a **Unless the Council determines otherwise, a committee may appoint a sub-committee whose terms of reference and members shall be determined by the committee.**

b **The members of a committee may include non-councillors unless it is a committee which regulates and controls the finances of the Council.**

c **Unless the Council determines otherwise, all the members of an advisory committee and a sub-committee of the advisory committee may be non-councillors.**

d The Council may appoint standing committees or other committees as may be necessary, and:

i. shall determine their terms of reference;

ii. shall determine the number and time of the ordinary meetings of a standing committee up until the date of the next annual meeting of the Council;

iii. shall permit a committee, other than in respect of the ordinary meetings of a committee, to determine the number and time of its meetings;

iv. shall, subject to standing orders 4(b) and (c), appoint and determine the terms of office of members of such a committee;

v. may, subject to standing orders 4(b) and (c), appoint and determine the terms of office of the substitute members to a committee whose role is to replace the ordinary members at a meeting of a committee if the ordinary members of the committee confirm to the Proper Officer 7 days before the meeting that they are unable to attend;

vi. shall, after it has appointed the members of a standing committee, appoint the chair of the standing committee;

vii. shall permit a committee other than a standing committee, to appoint its own chair at the first meeting of the committee;

viii. shall determine the place, notice requirements and quorum for a meeting of a committee and a sub-committee which, in both cases, shall be no less than three;

ix. shall determine if the public may participate at a meeting of a committee;

x. shall determine if the public and press are permitted to attend the meetings of a sub-committee and also the advance public notice requirements, if any, required for the meetings of a sub-committee;

xi. shall determine if the public may participate at a meeting of a sub-committee that they are permitted to attend; and

xii. may dissolve a committee or a sub-committee.

5. ORDINARY COUNCIL MEETINGS

a **In an election year, the annual meeting of the Council shall be held on or within 14 days following the day on which the councillors elected take office.**

b **In a year which is not an election year, the annual meeting of the Council shall be held on such day in May as the Council decides.**

c **If no other time is fixed, the annual meeting of the Council shall take place at 6pm.**

d **In addition to the annual meeting of the Council, at least three other ordinary meetings shall be held in each year on such dates and times as the Council decides.**

e **The first business conducted at the annual meeting of the Council shall be the election of the Chair and Vice-Chair (if there is one) of the Council.**

f **The Chair of the Council, unless he has resigned or becomes disqualified, shall continue in office and preside at the annual meeting until their successor is elected at the next annual meeting of the Council.**

g **The Vice-Chair of the Council, if there is one, unless he resigns or becomes disqualified, shall hold office until immediately after the election of the Chairman of the Council at the next annual meeting of the Council.**

h **In an election year, if the current Chair of the Council has not been re-elected as a member of the Council, he shall preside at the annual meeting until a successor Chair of the Council has been elected. The current Chair of the Council shall not have an original vote in respect of the election of the new Chair of the Council but shall give a casting vote in the case of an equality of votes.**

i **In an election year, if the current Chair of the Council has been re-elected as a member of the Council, he shall preside at the annual meeting until a new Chair of the Council has been elected. He may exercise an original vote in respect of the election of the new Chair of the Council and shall give a casting vote in the case of an equality of votes.**

j Following the election of the Chair of the Council and Vice-Chair of the Council at the annual meeting, the business shall include:

i. **In an election year, delivery by the Chair of the Council and councillors of their acceptance of office forms unless the Council resolves for this to be done at a later date. In a year which is not an election year, delivery by the Chair of the Council of their acceptance of office form unless the Council resolves for this to be done at a later date;**

ii. Confirmation of the accuracy of the minutes of the last meeting of the Council;

iii. Receipt of the minutes of the last meeting of a committee;

iv. Consideration of the recommendations made by a committee;

v. Review of delegation arrangements to committees, sub-committees, staff and other local authorities;

vi. Review of the terms of reference for committees;

vii. Appointment of members to existing committees;

viii. Appointment of any new committees in accordance with standing order 4;

ix. Review and adoption of appropriate standing orders and financial regulations;

x. Review of arrangements (including legal agreements) with other local authorities, not-for-profit bodies and businesses.

xi. Review of representation on or work with external bodies and arrangements for reporting back;

xii. In an election year, to make arrangements with a view to the Council becoming eligible to exercise the general power of competence in the future;

xiii. Review of inventory of land and other assets including buildings and office equipment;

xiv. Confirmation of arrangements for insurance cover in respect of all insurable risks;

xv. Review of the Council's and/or staff subscriptions to other bodies;

xvi. Review of the Council's complaints procedure;

xvii. Review of the Council's policies, procedures and practices in respect of its obligations under freedom of information and data protection legislation (*see also standing orders 11, 20 and 21*);

xviii. Review of the Council's policy for dealing with the press/media;

xix. Review of the Council's employment policies and procedures;

xx. Review of the Council's expenditure incurred under s.137 of the Local Government Act 1972 or the general power of competence.

xxi. Determining the time and place of ordinary meetings of the Council up to and including the next annual meeting of the Council.

6. EXTRAORDINARY MEETINGS OF THE COUNCIL, COMMITTEES AND SUB-COMMITTEES

a **The Chair of the Council may convene an extraordinary meeting of the Council at any time.**

b **If the Chair of the Council does not call an extraordinary meeting of the**

Council within seven days of having been requested in writing to do so by two councillors, any two councillors may convene an extraordinary meeting of the Council. The public notice giving the time, place and agenda for such a meeting shall be signed by the two councillors.

c The chair of a committee may convene an extraordinary meeting of the committee at any time.

d If the chair of a committee does not call an extraordinary meeting within 7 days of having been requested to do so by 2 members of the committee, any 2 members of the committee may convene an extraordinary meeting of the committee.

7. PREVIOUS RESOLUTIONS

a A resolution shall not be reversed within six months except either by a special motion, which requires written notice by at least 5 councillors to be given to the Proper Officer in accordance with standing order 9, or by a motion moved in pursuance of the recommendation of a committee or a sub-committee.

b When a motion moved pursuant to standing order 7(a) has been disposed of, no similar motion may be moved for a further six months.

8. VOTING ON APPOINTMENTS

a Where more than two persons have been nominated for a position to be filled by the Council and none of those persons has received an absolute majority of votes in their favour, the name of the person having the least number of votes shall be struck off the list and a fresh vote taken. This process shall continue until a majority of votes is given in favour of one person. A tie in votes may be settled by the casting vote exercisable by the chair of the meeting.

9. MOTIONS FOR A MEETING THAT REQUIRE WRITTEN NOTICE TO BE GIVEN TO THE PROPER OFFICER

a A motion shall relate to the responsibilities of the meeting for which it is tabled and in any event shall relate to the performance of the Council's statutory functions, powers and obligations or an issue which specifically affects the Council's area or its residents.

b No motion may be moved at a meeting unless it is on the agenda and the mover has given written notice of its wording to the Proper Officer at least 7 clear days before the meeting. Clear days do not include the day of the notice or the day of the meeting.

c The Proper Officer may, before including a motion on the agenda received in accordance with standing order 9(b), correct obvious grammatical or typographical errors in the wording of the motion.

d If the Proper Officer considers the wording of a motion received in accordance with standing order 9(b) is not clear in meaning, the motion shall be rejected until the mover of the motion resubmits it, so that it can be understood, in writing, to the Proper Officer at least 6 clear days before the meeting.

e If the wording or subject of a proposed motion is considered improper, the Proper Officer shall consult with the chair of the forthcoming meeting or, as the case may be, the councillors who have convened the meeting, to consider whether the motion shall be included in the agenda or rejected.

f The decision of the Proper Officer as to whether or not to include the motion on the agenda shall be final.

g Motions received shall be recorded and numbered in the order that they are received.

h Motions rejected shall be recorded with an explanation by the Proper Officer of the reason for rejection.

10. MOTIONS AT A MEETING THAT DO NOT REQUIRE WRITTEN NOTICE

a The following motions may be moved at a meeting without written notice to the Proper Officer:

i. to correct an inaccuracy in the draft minutes of a meeting;

ii. to move to a vote;

iii. to defer consideration of a motion;

iv. to refer a motion to a particular committee or sub-committee;

v. to appoint a person to preside at a meeting;

vi. to change the order of business on the agenda;

vii. to proceed to the next business on the agenda;

viii. to require a written report;

ix. to appoint a committee or sub-committee and their members;

x. to extend the time limits for speaking;

xi. to exclude the press and public from a meeting in respect of confidential or other information which is prejudicial to the public interest;

xii. to not hear further from a councillor or a member of the public;

xiii. to exclude a councillor or member of the public for disorderly conduct;

xiv. to temporarily suspend the meeting;

xv. to suspend a particular standing order (unless it reflects mandatory statutory or legal requirements);

xvi. to adjourn the meeting; or

xvii. to close the meeting.

11. MANAGEMENT OF INFORMATION

See also standing order 20.

a **The Council shall have in place and keep under review, technical and organisational measures to keep secure information (including personal data) which it holds in paper and electronic form. Such arrangements shall include deciding who has access to personal data and encryption of personal data.**

b **The Council shall have in place, and keep under review, policies for the retention and safe destruction of all information (including personal data) which it holds in paper and electronic form. The Council's retention policy shall confirm the period for which information (including personal data) shall be retained or if this is not possible the criteria used to determine that period (e.g. the Limitation Act 1980).**

c **The agenda, papers that support the agenda and the minutes of a meeting shall not disclose or otherwise undermine confidential information or personal data without legal justification.**

d **Councillors, staff, the Council's contractors and agents shall not disclose confidential information or personal data without legal justification.**

12. DRAFT MINUTES

Full Council meetings ●
Committee meetings ●
Sub-committee meetings ●

a If the draft minutes of a preceding meeting have been served on councillors with the agenda to attend the meeting at which they are due to be approved for accuracy, they shall be taken as read.

b There shall be no discussion about the draft minutes of a preceding meeting except in relation to their accuracy. A motion to correct an inaccuracy in the draft minutes shall be moved in accordance with standing order 10(a)(i).

c The accuracy of draft minutes, including any amendment(s) made to them, shall be confirmed by resolution and shall be signed by the chair of the meeting and stand as an accurate record of the meeting to which the minutes relate.

d If the chair of the meeting does not consider the minutes to be an accurate record of the meeting to which they relate, he shall sign the minutes and include a paragraph in the following terms or to the same effect:

> "The chair of this meeting does not believe that the minutes of the meeting of the ( ) held on [date] in respect of ( ) were a correct record but this view was not upheld by the meeting and the minutes are confirmed as an accurate record of the proceedings."

e **If the Council's gross annual income or expenditure (whichever is higher) does not exceed £25,000, it shall publish draft minutes on a website which is publicly accessible and free of charge not later than one month after the meeting has taken place.**

f Subject to the publication of draft minutes in accordance with standing order 12(e) and standing order 20(a) and following a resolution which confirms the accuracy of the minutes of a meeting, the draft minutes or recordings of the meeting for which approved minutes exist shall be destroyed.

13. CODE OF CONDUCT AND DISPENSATIONS

See also standing order 3(u).

a All councillors and non-councillors with voting rights shall observe the code of conduct adopted by the Council.

b Unless they have been granted a dispensation, a councillor or non-councillor with voting rights shall withdraw from a meeting when it is considering a matter in which he has a disclosable pecuniary interest. They may return to the meeting after it has considered the matter in which he had the interest.

c Unless they have been granted a dispensation, a councillor or non-councillor with voting rights shall withdraw from a meeting when it is considering a matter in which he has another interest if so required by the Council's code of conduct. They may return to the meeting after it has considered the matter in which they had the interest.

d **Dispensation requests shall be in writing and submitted to the Proper Officer** as soon as possible before the meeting, or failing that, at the start of the meeting for which the dispensation is required.

e A decision as to whether to grant a dispensation shall be made by the Proper Officer and that decision is final.

f A dispensation request shall confirm:

i. the description and the nature of the disclosable pecuniary interest or other interest to which the request for the dispensation relates;

ii. whether the dispensation is required to participate at a meeting in a discussion only or a discussion and a vote;

iii. the date of the meeting or the period (not exceeding four years) for which the dispensation is sought; and

iv. an explanation as to why the dispensation is sought.

g Subject to standing orders 13(d) and (f), a dispensation request shall be considered by the Proper Officer before the meeting or, if this is not possible, at the start of the meeting for which the dispensation is require.

h A dispensation may be granted in accordance with standing order 13(e) if having regard to all relevant circumstances any of the following apply:

i. without the dispensation the number of persons prohibited from participating in the particular business would be so great a proportion of the meeting transacting the business as to impede the transaction of the business;

ii. granting the dispensation is in the interests of persons living in the Council's area; or

iii. it is otherwise appropriate to grant a dispensation.

14. CODE OF CONDUCT COMPLAINTS

a **Upon notification by the Principal Council that a councillor or non-councillor with voting rights has breached the Council's code of conduct, the Council shall consider what, if any, action to take against them. Such action excludes disqualification or suspension from office.**

15. PROPER OFFICER

a The Proper Officer shall be either (i) the clerk or (ii) other staff member nominated by the Council to undertake the work of the Proper Officer when the Proper Officer is absent.

b The Proper Officer shall:

i. **at least three clear days before a meeting of the council, a committee** or a sub-committee**,**

- **serve on councillors by delivery or post at their residences or by email authenticated in such manner as the Proper Officer thinks fit, a signed summons confirming the time, place and the agenda (provided the councillor has consented to service by email), and**
- **Provide, in a conspicuous place, public notice of the time, place and agenda (provided that the public notice with agenda of an extraordinary meeting of the Council convened by councillors is signed by them).**

See standing order 3(b) for the meaning of clear days for a meeting of a full council and standing order 3(c) for the meaning of clear days for a meeting of a committee;

ii. subject to standing order 9, include on the agenda all motions in the order received unless a councillor has given written notice at least 6 days before the meeting confirming their withdrawal of it;

iii. convene a meeting of the Council for the election of a new Chair of the Council, occasioned by a casual vacancy in their office;

iv. **facilitate inspection of the minute book by local government electors;**

v. **receive and retain copies of byelaws made by other local authorities;**

vi. hold acceptance of office forms from councillors;

vii. hold a copy of every councillor's register of interests;

viii. assist with responding to requests made under freedom of information legislation and rights exercisable under data protection legislation, in accordance with the Council's relevant policies and procedures;

ix. liaise, as appropriate, with the Council's Data Protection Officer:

x. receive and send general correspondence and notices on behalf of the Council except where there is a resolution to the contrary;

xi. assist in the organisation of, storage of, access to, security of and destruction of information held by the Council in paper and electronic form subject to the requirements of data protection and freedom of information legislation and other legitimate requirements (e.g. the Limitation Act 1980);

xii. arrange for legal deeds to be executed;
(*see also standing order 23);*

xiii. arrange or manage the prompt authorisation, approval, and instruction regarding any payments to be made by the Council in accordance with its financial regulations;

xiv. record every planning application notified to the Council and the Council's response to the local planning authority in a book for such purpose;

xv. refer a planning application received by the Council to the Chair or in their absence Vice-Chair (if there is one) of the Planning Committee within two working days of receipt to facilitate an extraordinary meeting if the nature of a planning application requires consideration before the next ordinary meeting of the Planning committee;

xvi. manage access to information about the Council via the publication scheme; and

xvii. retain custody of the seal of the Council (if there is one) which shall not be used without a resolution to that effect.
(*see also standing order 23).*

16. RESPONSIBLE FINANCIAL OFFICER

a The Council shall appoint appropriate staff member to undertake the work of the Responsible Financial Officer when the Responsible Financial Officer is absent.

17. ACCOUNTS AND ACCOUNTING STATEMENTS

a “Proper practices” in standing orders refer to the most recent version of “Governance and Accountability for Local Councils – a Practitioners’ Guide”.

b All payments by the Council shall be authorised, approved and paid in accordance with the law, proper practices and the Council’s financial regulations.

c The Responsible Financial Officer shall supply to each councillor as soon as practicable after 30 June, 30 September and 31 December in each year a statement to summarise:

i. the Council’s receipts and payments (or income and expenditure) for each quarter;

ii. the Council’s aggregate receipts and payments (or income and expenditure) for the year to date;

iii. the balances held at the end of the quarter being reported and

which includes a comparison with the budget for the financial year and highlights any actual or potential overspends.

d As soon as possible after the financial year end at 31 March, the Responsible Financial Officer shall provide:

i. each councillor with a statement summarising the Council's receipts and payments (or income and expenditure) for the last quarter and the year to date for information; and

ii. to the Council the accounting statements for the year in the form of Section 2 of the annual governance and accountability return, as required by proper practices, for consideration and approval.

e The year-end accounting statements shall be prepared in accordance with proper practices and apply the form of accounts determined by the Council (receipts and payments, or income and expenditure) for the year to 31 March. A completed draft annual governance and accountability return shall be presented to all councillors at least 5 days prior to anticipated approval by the Council. The annual governance and accountability return of the Council, which is subject to external audit, including the annual governance statement, shall be presented to the Council for consideration and formal approval before 30 June.

18. FINANCIAL CONTROLS AND PROCUREMENT

a. The Council shall consider and approve financial regulations drawn up by the Responsible Financial Officer, which shall include detailed arrangements in respect of the following:

i. the keeping of accounting records and systems of internal controls;

ii. the assessment and management of financial risks faced by the Council;

iii. the work of the independent internal auditor in accordance with proper practices and the receipt of regular reports from the internal auditor, which shall be required at least annually;

iv. the inspection and copying by councillors and local electors of the Council's accounts and/or orders of payments; and

v. whether contracts with an estimated value below £30,000 due to special circumstances are exempt from a tendering process or procurement exercise.

b. Financial regulations shall be reviewed regularly and at least annually for fitness of purpose.

c. Subject to additional requirements in the financial regulations of the Council, the tender process for contracts for the supply of goods, materials, services or the execution of works shall include, as a minimum, the following steps:

i. a specification for the goods, materials, services or the execution of works shall be drawn up;

ii. an invitation to tender shall be drawn up to confirm (i) the Council's specification (ii) the time, date and address for the submission of tenders (iii) the date of the Council's written response to the tender and (iv) the prohibition on prospective contractors contacting councillors or staff to encourage or support their tender outside the prescribed process;

iii. tenders are to be submitted in writing in a sealed marked envelope addressed to the Proper Officer;

iv. tenders shall be opened by the Proper Officer in the presence of at least two councillors after the deadline for submission of tenders has passed;

v. tenders are to be reported to and considered by the appropriate meeting of the Council or a committee or sub-committee with delegated responsibility.

d. Neither the Council, nor a committee or a sub-committee with delegated responsibility for considering tenders, is bound to accept the lowest value tender.

e. **Where the value of a contract is likely to exceed the threshold specified by the Government from time to time, the Council must consider whether the contract is subject to the requirements of the current procurement legislation and, if so, the Council must comply with procurement rules. NALC's procurement guidance contains further details.**

19. HANDLING STAFF MATTERS

a A matter personal to a member of staff that is being considered by a meeting of the Personnel committee is subject to standing order 11.

b Subject to the Council's policy regarding absences from work, the Council's most senior member of staff shall notify the chair of the Personnel committee if he/she is not available, the vice-chair of the Personnel committee of absence occasioned by illness or other reason and that person shall report such absence to the Personnel committee at its next meeting.

c Subject to the Council's policy regarding the handling of grievance matters, the Council's most senior member of staff shall contact the chair of the Personnel committee or in their absence, the vice-chair of the Personnel committee in respect of an informal or formal grievance matter, and this matter shall be reported back and progressed by resolution of the Personnel committee.

d Subject to the Council's policy regarding the handling of grievance matters, if an informal or formal grievance matter raised by a member of staff relates to the chair or vice-chair of the Personnel committee this shall be communicated to another member of the Personnel committee which shall be reported back and progressed by resolution of the Personnel committee.

e Any persons responsible for all or part of the management of staff shall treat as confidential the written records of all meetings relating to their performance, capabilities, grievance or disciplinary matters.

f In accordance with standing order 11(a), persons with line management responsibilities shall have access to staff records referred to in standing order 19(f).

20. RESPONSIBILITIES TO PROVIDE INFORMATION

See also standing order 21.

a **In accordance with freedom of information legislation, the Council shall publish information in accordance with its publication scheme and respond to requests for information held by the Council.**

The Council, shall publish information in accordance with the requirements of the Local Government (Transparency Requirements) (England) Regulations 2015.

21. RESPONSIBILITIES UNDER DATA PROTECTION LEGISLATION
(Below is not an exclusive list).
See also standing order 11.

a The Council may appoint a Data Protection Officer.

b **The Council shall have policies and procedures in place to respond to an individual exercising statutory rights concerning their personal data.**

c **The Council shall have a written policy in place for responding to and managing a personal data breach.**

d **The Council shall keep a record of all personal data breaches comprising the facts relating to the personal data breach, its effects and the remedial action taken.**

e **The Council shall ensure that information communicated in its privacy notice(s) is in an easily accessible and available form and kept up to date.**

f **The Council shall maintain a written record of its processing activities.**

22. RELATIONS WITH THE PRESS/MEDIA

a Requests from the press or other media for an oral or written comment or statement from the Council, its councillors or staff shall be passed to the Clerk in consultation with the Chairman of the Council.

23. EXECUTION AND SEALING OF LEGAL DEEDS

See also standing orders 15(b)(xii) and (xvii).

a A legal deed shall not be executed on behalf of the Council unless authorised by a resolution.

Subject to standing order 23(a), any two councillors may sign, on behalf of the Council, any deed required by law and the Proper Officer shall witness their signatures.

The above is applicable to a Council without a common seal.

24. COMMUNICATING WITH DISTRICT AND COUNTY OR UNITARY COUNCILLORS

a An invitation to attend a meeting of the Council shall be sent, together with the agenda, to the ward councillor(s) of the District and County Council representing the area of the Council.

b Unless the Council determines otherwise, a copy of each letter/email sent to the District and County Council shall be sent to the ward councillor(s) representing the area of the Council.

25. RESTRICTIONS ON COUNCILLOR ACTIVITIES

a. Unless duly authorised no councillor shall:

i. inspect any land and/or premises which the Council has a right or duty to inspect; or

ii. issue orders, instructions or directions.

26. STANDING ORDERS GENERALLY

a All or part of a standing order, except one that incorporates mandatory statutory or legal requirements, may be suspended by resolution in relation to the consideration of an item on the agenda for a meeting.

b A motion to add to or vary or revoke one or more of the Council's standing orders, except one that incorporates mandatory statutory or legal requirements, shall be proposed by a special motion, the written notice by at least 2 councillors to be given to the Proper Officer in accordance with standing order 9.

c The Proper Officer shall provide a copy of the Council's standing orders to a councillor as soon as possible.

d The decision of the chair of a meeting as to the application of standing orders at the meeting shall be final.

MARCHWOOD PARISH COUNCIL FINANCIAL REGULATIONS

Contents

1. General

1.1. These Financial Regulations govern the financial management of the council and may only be amended or varied by resolution of the council. They are one of the council's governing documents and shall be observed in conjunction with the council's Standing Orders.

1.2. Councillors are expected to follow these regulations and not to entice employees to breach them. Failure to follow these regulations brings the office of councillor into disrepute.

1.3. Wilful breach of these regulations by an employee may result in disciplinary proceedings.

1.4. In these Financial Regulations:

- 'Accounts and Audit Regulations' means the regulations issued under Sections 32, 43(2) and 46 of the Local Audit and Accountability Act 2014, or any superseding legislation, and then in force, unless otherwise specified.
- "Approve" refers to an online action, allowing an electronic transaction to take place.
- "Authorise" refers to a decision by the council, or a committee or an officer, to allow something to happen.
- 'Proper practices' means those set out in *The Practitioners' Guide*
- *Practitioners' Guide* refers to the guide issued by the Joint Panel on Accountability and Governance (JPAG) and published by NALC in England or Governance and Accountability for Local Councils in Wales – A Practitioners Guide jointly published by One Voice Wales and the Society of Local Council Clerks in Wales.
- 'Must' and **bold text** refer to a statutory obligation the council cannot change.
- 'Shall' refers to a non-statutory instruction by the council to its members and staff.

1.5. The Responsible Financial Officer (RFO) holds a statutory office, appointed by the council. The RFO;

- acts under the policy direction of the council;
- administers the council's financial affairs in accordance with all Acts, Regulations and proper practices;
- determines on behalf of the council its accounting records and control systems;
- ensures the accounting control systems are observed;
- ensures the accounting records are kept up to date;
- seeks economy, efficiency and effectiveness in the use of council resources; and
- produces financial management information as required by the council.

1.6. **The council must not delegate any decision regarding:**

- **setting the final budget or the precept (council tax requirement);**
- **the outcome of a review of the effectiveness of its internal controls**

- **approving accounting statements;**
- **approving an annual governance statement;**
- **borrowing;**
- **declaring eligibility for the General Power of Competence; and**
- **addressing recommendations from the internal or external auditors**

1.7. In addition, the council shall:

- determine and regularly review the bank mandate for all council bank accounts;
- authorise any grant or single commitment in excess of £5,000;

2. Risk management and internal control

2.1. **The council must ensure that it has a sound system of internal control, which delivers effective financial, operational and risk management.**

2.2. The Clerk with the RFO shall prepare, for approval by the council, a risk management policy covering all activities of the council. This policy and consequential risk management arrangements shall be reviewed by the council at least annually.

2.3. When considering any new activity, the Clerk [with the RFO] shall prepare a draft risk assessment including risk management proposals for consideration by the council.

2.4. **At least once a year, the council must review the effectiveness of its system of internal control, before approving the Annual Governance Statement.**

2.5. **The accounting control systems determined by the RFO must include measures to:**

- **ensure that risk is appropriately managed;**
- **ensure the prompt, accurate recording of financial transactions;**
- **prevent and detect inaccuracy or fraud; and**
- **allow the reconstitution of any lost records;**
- **identify the duties of officers dealing with transactions and**
- **ensure division of responsibilities.**

2.6. At least once in each quarter, and at each financial year end, a member shall be appointed to verify bank reconciliations (for all accounts) produced by the RFO. The member shall sign and date the reconciliations and the original bank statements (or similar document) as evidence of this. This activity, including any exceptions, shall be reported to and noted by the Policy and Resources Committee.

2.7. Regular back-up copies shall be made of the records on any council computer and stored either online or in a separate location from the computer. The council shall put measures in place to ensure that the ability to access any council computer is not lost if an employee leaves or is incapacitated for any reason.

3. Accounts and audit

3.1. All accounting procedures and financial records of the council shall be determined by the RFO in accordance with the Accounts and Audit Regulations.

3.2. **The accounting records determined by the RFO must be sufficient to explain the council's transactions and to disclose its financial position with reasonable accuracy at any time. In particular, they must contain:**

- **day-to-day entries of all sums of money received and expended by the council and the matters to which they relate;**
- **a record of the assets and liabilities of the council;**

3.3. The accounting records shall be designed to facilitate the efficient preparation of the accounting statements in the Annual {Governance and Accountability} Return.

3.4. The RFO shall complete and certify the annual Accounting Statements of the council contained in the Annual Governance and Accountability Return in accordance with proper practices, as soon as practicable after the end of the financial year. Having certified the Accounting Statements, the RFO shall submit them with any related documents to the council, within the timescales required by the Accounts and Audit Regulations.

3.5. **The council must ensure that there is an adequate and effective system of internal audit of its accounting records and internal control system in accordance with proper practices**.

3.6. **Any officer or member of the council must make available such documents and records as the internal or external auditor consider 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.

3.7. The internal auditor shall be appointed by the council and shall carry out their work to evaluate the effectiveness of the council's risk management, control and governance processes in accordance with proper practices specified in the Practitioners' Guide.

3.8. The council shall ensure that the internal auditor:

- is competent and independent of the financial operations of the council;
- reports to council in writing, or in person, on a regular basis with a minimum of one written report during each financial year;
- can demonstrate competence, objectivity and independence, free from any actual or perceived conflicts of interest, including those arising from family relationships; and
- has no involvement in the management or control of the council

3.9. Internal or external auditors may not under any circumstances:

- perform any operational duties for the council;
- initiate or approve accounting transactions;
- provide financial, legal or other advice including in relation to any future transactions; or

- direct the activities of any council employee, except to the extent that such employees have been appropriately assigned to assist the internal auditor.

3.10. For the avoidance of doubt, in relation to internal audit the terms 'independent' and 'independence' shall have the same meaning as described in The Practitioners Guide.

3.11. 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 documents required by the Local Audit and Accountability Act 2014, or any superseding legislation, and the Accounts and Audit Regulations.

3.12. The RFO shall, without undue delay, bring to the attention of all councillors any correspondence or report from internal or external auditors.

4. Budget and precept

4.1. **Before setting a precept, the council must calculate its council tax (England)/budget requirement for each financial year by preparing and approving a budget, in accordance with The Local Government Finance Act 1992 or succeeding legislation.**

4.2. Budgets for salaries and wages, including employer contributions shall be reviewed by Personnel Committee at least annually in October for the following financial year and the final version shall be evidenced by a hard copy schedule signed by the Clerk and the Chair of the committee.

4.3. No later than December each year, the RFO shall prepare a draft budget with detailed estimates of all receipts and payments/income and expenditure for the following financial year, taking account of the lifespan of assets and cost implications of repair or replacement.

4.4. Unspent budgets for completed projects shall not be carried forward to a subsequent year. Unspent funds for partially completed projects may only be carried forward by placing them in an earmarked reserve with the formal approval of the full council.

4.5. Each committee (if any) shall review its draft budget and submit any proposed amendments to the council not later than the end of January each year.

4.6. The draft budget with any committee proposals, including any recommendations for the use or accumulation of reserves, shall be considered by the policy and resources committee and a recommendation made to the council.

4.7. Having considered the proposed budget forecast, the council shall determine its council tax (England)/budget requirement by setting a budget. The council shall set a precept for this amount no later than the end of January for the ensuing financial year.

4.8. **Any member with council tax unpaid for more than two months is prohibited from voting on the budget or precept by Section 106 of the Local Government Finance Act 1992 and must disclose at the start of the meeting that Section 106 applies to them.**

4.9. The RFO shall **issue the precept to the billing authority no later than the end of February** and supply each member with a copy of the agreed annual budget.

4.10. The agreed budget provides a basis for monitoring progress during the year by comparing actual spending and income against what was planned.

4.11. Any addition to, or withdrawal from, any earmarked reserve shall be agreed by the policy and resources committee.

5. Procurement

5.1. **Members and officers are responsible for obtaining value for money at all times.** Any officer procuring goods, services or works should ensure, as far as practicable, that the best available terms are obtained, usually by obtaining prices from several suppliers.

5.2. The RFO should verify the lawful nature of any proposed purchase before it is made and in the case of new or infrequent purchases, should ensure that the legal power being used is reported to the meeting at which the order is authorised and also recorded in the minutes.

5.3. Every contract shall comply with the council's Standing Orders and these Financial Regulations and no exceptions shall be made, except in an emergency.

5.4. **For a contract for the supply of goods, services or works where the estimated value will exceed the thresholds set by Parliament, the full requirements of The Procurement Act 2023 and The Procurement Regulations 2024 or any superseding legislation ("the Legislation"), must be followed in respect of the tendering, award and notification of that contract.**

5.5. Where the estimated value is below the Government threshold, the council shall (with the exception of items listed in paragraph 5.12) obtain prices as follows:

5.6. **For contracts estimated to be over £30,000 including VAT, the council must comply with any requirements of the Legislation regarding the publication of invitations and notices.**

5.7. For contracts greater than £3,000 excluding VAT the Clerk or RFO shall seek at least 3 fixed-price quotes;

5.8. where the value is between £1,000 and £3,000 excluding VAT, the Clerk or RFO shall try to obtain 3 estimates which might include evidence of online prices, or recent prices from regular suppliers.

5.9. For smaller purchases, the clerk shall seek to achieve value for money.

5.10. **Contracts must not be split to avoid compliance with these rules.**

5.11. The requirement to obtain competitive prices in these regulations need not apply to contracts that relate to items (i) to (iv) below:

i. specialist services, such as legal professionals acting in disputes;

ii. repairs to, or parts for, existing machinery or equipment;

iii. works, goods or services that constitute an extension of an existing contract;

iv. goods or services that are only available from one supplier or are sold at a fixed price.

5.12. When applications are made to waive this financial regulation to enable a price to be negotiated without competition, the reason should be set out in a recommendation to the Council or Policy and Resources committee. Avoidance of competition is not a valid reason.

5.13. The council shall not be obliged to accept the lowest or any tender, quote or estimate.

5.14. Individual purchases within an agreed budget for that type of expenditure may be authorised by:

- the Clerk, under delegated authority, for any items below £1,000 excluding VAT.
- the Clerk, in consultation with the Chair of the Council or Chair of the appropriate committee, for any items below £2,000 excluding VAT.
- a duly delegated committee of the council for all items of expenditure within their delegated budgets for items under £5,000 excluding VAT.
- in respect of grants, a duly authorised committee within any limits set by council and in accordance with any policy statement agreed by the council.
- the council for all items over £5,000;

Such authorisation must be supported by a minute in the case of council or committee decisions or other auditable evidence trail.

5.15. No individual member, or informal group of members may issue an official order unless instructed to do so in advance by a resolution of the council or make any contract on behalf of the council.

5.16. No expenditure may be authorised that will exceed the budget for that type of expenditure other than by resolution of the duly delegated committee acting within its Terms of Reference except in an emergency.

5.17. In cases of serious risk to the delivery of council services or to public safety on council premises, the clerk may authorise expenditure of up to £3,000 excluding VAT on repair, replacement or other work that in their judgement is necessary, whether or not there is any budget for such expenditure. The Clerk shall report such action to the Chair as soon as possible and to the council as soon as practicable thereafter.

5.18. No expenditure shall be authorised, no contract entered into, or tender accepted in relation to any major project, unless the council is satisfied that the necessary funds are available and that where a loan is required, Government borrowing approval has been obtained first.

5.19. Copies of orders shall be retained, along with evidence of receipt of goods.

5.20. Any ordering system can be misused and access to them shall be controlled by the RFO or Clerk.

6. Banking and payments

6.1. The council's banking arrangements, including the bank mandate, shall be made by the RFO and authorised by the council; banking arrangements shall not be delegated to a committee. The council has resolved to bank with Lloyds. The arrangements shall be reviewed annually for security and efficiency.

6.2. The council must have safe and efficient arrangements for making payments, to safeguard against the possibility of fraud or error. Wherever possible, more than one person should be involved in any payment, for example by dual online authorisation or dual cheque signing. Even where a purchase has been authorised, the payment must also be authorised and only authorised payments shall be approved or signed to allow the funds to leave the council's bank.

6.3. All invoices for payment should be examined for arithmetical accuracy, analysed to the appropriate expenditure heading and verified to confirm that the work, goods or services were received, checked and represent expenditure previously authorised by the council before being certified by the RFO.

6.4. Personal payments (including salaries, wages, expenses and any payment made in relation to the termination of employment) may be summarised to avoid disclosing any personal information.

6.5. All payments shall be made by online banking, in accordance with a resolution of the council or duly delegated committee, or a delegated decision by an officer, unless the council resolves to use a different payment method.

6.6. For each financial year the RFO may draw up a schedule of regular payments due in relation to a continuing contract or obligation such as Salaries, PAYE, National Insurance, pension contributions, rent, rates, regular maintenance contracts and similar items, which the council or a duly delegated committee may authorise in advance for the year.

6.7. A copy of this schedule of regular payments shall be signed by two members on each and every occasion when payment is made - to reduce the risk of duplicate payments.

6.8. A list of such payments shall be reported to the next appropriate meeting of the council or Finance Committee for information only.

6.9. The Clerk and RFO shall have delegated authority to authorise payments only in the following circumstances:

i. any payments of up to £1,000 excluding VAT, within an agreed budget.

ii. payments of up to £3,000 excluding VAT in cases of serious risk to the delivery of council services or to public safety on council premises.

iii. any payment necessary to avoid a charge under the Late Payment of Commercial Debts (Interest) Act 1998, where the due date for payment is before the next scheduled meeting of the policy and resources committee 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 the policy and resources committee.

iv. Fund transfers within the councils banking arrangements up to the sum of £25,000, provided that a list of such payments shall be submitted to the next appropriate meeting of council or policy and resources committee.

6.10. The RFO shall present a schedule of payments requiring authorisation, forming part of the agenda for the meeting, policy and resources committee. The committee} shall review the schedule for compliance and, having satisfied itself, shall authorise payment by resolution. The authorised schedule shall be initialled immediately below the last item by the person chairing the meeting. A detailed list of all payments shall be disclosed within or as an attachment to the minutes of that meeting.

7. Electronic payments

7.1. Where internet banking arrangements are made with any bank, the RFO shall be appointed as the Service Administrator. The bank mandate agreed by the council shall identify councillors who will be authorised to approve transactions on those accounts and a minimum of two people will be involved in any online approval process. The Clerk may be an authorised signatory, but no signatory should be involved in approving any payment to themselves.

7.2. All authorised signatories shall have access to view the council's bank accounts online.

7.3. No employee or councillor shall disclose any PIN or password, relevant to the council or its banking, to anyone not authorised in writing by the council or a duly delegated committee.

7.4. The Service Administrator shall set up all items due for payment online.

7.5. In the prolonged absence of the Service Administrator an authorised signatory shall set up any payments due before the return of the Service Administrator.

7.6. Two councillors who are authorised signatories shall check the payment details against the invoices before approving each payment using the online banking system.

7.7. Evidence shall be retained showing which members approved the payment online and a printout of the transaction confirming that the payment has been made shall be appended to the invoice for audit purposes.

7.8. A full list of all payments made in a month shall be provided to the next committee meeting and appended to the minutes.

7.9. With the approval of the committee in each case, regular payments (such as gas, electricity, telephone, broadband, water, National Non-Domestic Rates, refuse collection, pension contributions and HMRC payments) may be made by variable direct debit, provided that the instructions are signed/approved online by two authorised members. The approval of the use of each variable direct debit shall be reviewed by policy and resources committee at least every two years.

7.10. Payment may be made by BACS provided that each payment is approved online by two authorised bank signatories, evidence is retained and any payments are reported to the committee at the next meeting.

7.11. If thought appropriate by the council, regular payments of fixed sums may be made by banker's standing order, provided that the instructions are signed by two members, evidence of this is retained and any payments are reported to council when made. The approval of the use of a banker's standing order shall be reviewed by policy and resources committee at least every two years.

7.12. Account details for suppliers may only be changed upon written notification by the supplier. This is a potential area for fraud and the individuals involved should ensure that any change is genuine. Data held should be checked with suppliers every two years.

7.13. Members and officers shall ensure that any computer used for the council's financial business has adequate security, with anti-virus, anti-spyware and firewall software installed and regularly updated.

7.14. Remembered password facilities other than secure password stores requiring separate identity verification should not be used on any computer used for council banking.

8. Cheque payments

8.1. Cheques or orders for payment in accordance with a resolution or delegated decision shall be signed by two members and countersigned by the Clerk.

8.2. A signatory having a family or business relationship with the beneficiary of a payment shall not, under normal circumstances, be a signatory to that payment.

8.3. To indicate agreement of the details on the cheque with the counterfoil and the invoice or similar documentation, the signatories shall also initial the cheque counterfoil and invoice.

8.4. Cheques or orders for payment shall not normally be presented for signature other than at, or immediately before or after a policy and resources committee meeting.

9. Payment cards

9.1. Any Debit Card issued for use will be specifically restricted to the Clerk and the RFO and will also be restricted to a single transaction maximum value of 1,000 unless authorised by council or finance committee in writing before any order is placed.

9.2. Any corporate credit card or trade card account opened by the council will be specifically restricted to use by the Clerk and RFO and any balance shall be paid in full each month.

10. Petty Cash

10.1. The council will not maintain any form of cash float. All cash received must be banked intact. Any payments made in cash by the Clerk or RFO (for example for postage or minor stationery items) shall be refunded on a regular basis, at least weekly.

11. Payment of salaries and allowances

11.1. **As an employer, the council must make arrangements to comply with the statutory requirements of PAYE legislation.**

11.2. **Councillors allowances (where paid) are also liable to deduction of tax under PAYE rules and must be taxed correctly before payment.**

11.3. Salary rates shall be agreed by the council, or a duly delegated committee. No changes shall be made to any employee's gross pay, emoluments, or terms and conditions of employment without the prior consent of the personnel committee.

11.4. Payment of salaries shall be made, after deduction of tax, national insurance, pension contributions and any similar statutory or discretionary deductions, on the dates stipulated in employment contracts.

11.5. Deductions from salary shall be paid to the relevant bodies within the required timescales, provided that each payment is reported, as set out in these regulations above.

11.6. Each payment to employees of net salary and to the appropriate creditor of the statutory and discretionary deductions shall be recorded in a payroll control account or other separate confidential record, with the total of such payments each calendar month reported in the cashbook. Payroll reports will be reviewed by the policy and resources committee to ensure that the correct payments have been made.

11.7. Any termination payments shall be supported by a report to the council, setting out a clear business case. Termination payments shall only be authorised by the full council.

11.8. Before employing interim staff, the council must consider a full business case.

12. Loans and investments

12.1. Any application for Government approval to borrow money and subsequent arrangements for a loan must be authorised by the full council and recorded in the minutes. All borrowing shall be in the name of the council, after obtaining any necessary approval.

12.2. Any financial arrangement which does not require formal borrowing approval from the Secretary of State such as Hire Purchase, Leasing of tangible assets or loans to be repaid within the financial year) must be authorised by the full council, following a written report on the value for money of the proposed transaction.

12.3. The council shall consider the requirement for an Investment Strategy and Policy in accordance with Statutory Guidance on Local Government Investments, which must be written in accordance with relevant regulations, proper practices and guidance. Any Strategy and Policy shall be reviewed by the council at least annually.

12.4. All investment of money under the control of the council shall be in the name of the council.

12.5. All investment certificates and other documents relating thereto shall be retained in the custody of the RFO.

12.6. Payments in respect of short term or long-term investments, including transfers between bank accounts held in the same bank, shall be made in accordance with these regulations.

13. Income

13.1. The collection of all sums due to the council shall be the responsibility of and under the supervision of the RFO.

13.2. The council will review all fees and charges for work done, services provided, or goods sold at least annually as part of the budget-setting process, following a report of the Clerk. The RFO shall be responsible for the collection of all amounts due to the council.

13.3. Any sums found to be irrecoverable, and any bad debts shall be reported to the council by the RF] and shall be written off in the year. The council's approval shall be shown in the accounting records.

13.4. All sums received on behalf of the council shall be deposited intact with the council's bankers, with such frequency as the RFO considers necessary. The origin of each receipt shall clearly be recorded on the paying-in slip or other record.

13.5. Personal cheques shall not be cashed out of money held on behalf of the council.

13.6. The RFO shall ensure that VAT is correctly recorded in the council's accounting software and that any VAT Return required is submitted from the software by the due date.

13.7. Where significant sums of cash are regularly received by the council, the RFO shall 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 record such as ticket issues, and that appropriate care is taken for the security and safety of individuals banking such cash.

14. Payments under contracts for building or other construction works

14.1. Where contracts provide for payment by instalments the RFO shall maintain a record of all such payments, which shall be made within the time specified in the contract based on signed certificates from the architect or other consultant engaged to supervise the works.

14.2. Any variation of, addition to or omission from a contract must be authorised by the RFO to the contractor in writing, with the council being informed where the final cost is likely to exceed the contract sum by 5% or more, or likely to exceed the budget available.

15. Stores and equipment

15.1. The officer in charge of each section shall be responsible for the care and custody of stores and equipment in that section.

15.2. 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.

15.3. Stocks shall be kept at the minimum levels consistent with operational requirements.

15.4. The RFO shall be responsible for periodic checks of stocks and stores, at least annually.

16. Assets, properties and estates

16.1. The Clerk shall make arrangements for the safe custody of all title deeds and Land Registry Certificates of properties held by the council.

16.2. The RFO shall ensure that an appropriate and accurate Register of Assets and Investments is kept up to date, with a record of all properties held by the council, their 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.

16.3. The continued existence of tangible assets shown in the Register shall be verified at least annually.

16.4. No interest in land 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. In each case a written report 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 where required by law).

16.5. 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, except where the estimated value of any one item does not exceed £500. In each case a written report shall be provided to council with a full business case.

17. Insurance

17.1. The Clerk shall keep a record of all insurances effected by the council and the property and risks covered, reviewing these annually before the renewal date in conjunction with the council's review of risk management.

17.2. The Clerk shall give prompt notification of all new risks, properties or vehicles which require to be insured and of any alterations affecting existing insurances.

17.3. The RFO shall be notified of any loss, liability, damage or event likely to lead to a claim, and shall report these to the policy and resources committee at the next available meeting. The Clerk shall negotiate all claims on the council's insurers.

17.4. 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 annually.

18. Suspension and revision of Financial Regulations

18.1. The council shall review these Financial Regulations annually and following any change of clerk or RFO. The Clerk shall monitor changes in legislation or proper practices and advise the council of any need to amend these Financial Regulations.

18.2. The council may, by resolution 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 presented to all members. Suspension does not disapply any legislation or permit the council to act unlawfully.

18.3. The council may temporarily amend these Financial Regulations by a duly notified resolution, to cope with periods of absence, local government reorganisation, national restrictions or other exceptional circumstances.

Appendix 1 - Tender process

1) Any 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.
2) The invitation shall in addition state that tenders must be addressed to the Clerk in the ordinary course of post, unless an electronic tendering process has been agreed by the council.
3) Where a postal process is used, 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. 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.
4) Where an electronic tendering process is used, the council shall use a specific email address that will be monitored to ensure that nobody accesses any tender before the expiry of the deadline for submission.
5) Any invitation to tender issued under this regulation shall be subject to Standing Order 18v and shall refer to the terms of the Bribery Act 2010.
6) Where 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, 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.

Marchwood Parish Council Marchwood Village Hall, Village Centre, Marchwood SO40 4SF Tel: 02380 860273

office@marchwoodparish.gov.uk

Appendix D

Committee Membership 2024-2025

Policy and Resources

Nigel Buckett
John Case
Darryl Hindle (Chairman)
John Leath
Patrick Mballa
Keith Petty
Mike Proctor
Mike Saxby
Lindsey Shelley

Amenities

Nigel Buckett (Chairman)
John Case
Darryl Hindle
John Leath
Patrick Mballa
Keith Petty
Mike Proctor
Mike Saxby
Lindsey Shelley

Planning

Nigel Buckett
John Case
Darryl Hindle
John Leath
Patrick Mballa
Keith Petty
Mike Saxby (Chairman)
Lindsey Shelley

Personnel

John Case (Chairman)
Nigel Buckett
Darryl Hindle
Patrick Mballa

Appendix E

AMENITIES COMMITTEE TERMS OF REFERENCE

The Amenities committee has responsibility and delegated power for:

- Events and Festivals
- Sporting Facilities
- Play Areas and Open Spaces
- Environment and Ecology

- The Committee will oversee the maintenance and safety of all children's play areas ensuring they are maintained to a high standard, being cleared of any harmful litter. Safety inspections will be carried out on a regular basis.

- When play equipment is due for renewal and replaced, the Council will be committed to provide equipment to suit all ages and abilities and to provide a challenging but safe environment for all able bodied and disabled children to play together.

- The Committee will be responsible for the maintenance of green spaces throughout village including public rights of way where the land is owned or formally managed by the Council.

- The Committee will oversee the inspections and maintenance of trees and hedgerows on Council owned or managed land.

- Encourage the promotion of local biodiversity in all activities particularly with the relevance to the management of land.

- Advise, administer and arrange for the activities and functions connected with the Council's sports and play equipment.

- Review charges for use of the Council's facilities and make recommendations to the Policy and Resources Committee annually prior to budget setting in October.

- Be responsible for the provision, repair and maintenance of public seats, litter bins, and any other equipment used for the provision of the Council's amenity areas.

- Maintenance and management of all buildings and land owned or leased to the Council including the buildings and sports facilities connected with Lloyds Recreation Ground.

- To oversee the work and services undertaken by the Grounds staff including maintenance within budgetary limits.

- Incur expenditure on behalf of the Council within budgetary limits as prescribed annually.

Delegated to the Chairman of the Council and Chairman of the Committee and Clerk (acting together):
At the request of the Parish Clerk and in circumstances deemed to be exceptional and urgent (e.g. health and safety matters) to exercise any powers within the purview of their committee provided they are satisfied that the decision cannot wait for the next meeting, is not against known Council policy, is financially viable or defensible and is reported to the next ordinary meeting of the Committee. In the event that the Chairman and/or Vice Chairman are absent and cannot be contacted, then this power shall pass to the Vice Chairman of the Council or another member acting with one of those members.

Appendix E

PLANNING COMMITTEE TERMS OF REFERENCE

The Committee has responsibility and delegated authority:

- To advise the Council in all action required to be taken with local planning authorities and associated highways authorities and utility boards on matters relating to local and district highways, road safety, coast protection, utility services and similar matters affecting the parish.

- Have a standing responsibility to examine all planning application and appeals affecting the parish and shall without reference to the Council make known its comments thereon to the Local Planning Authority within the statutory time limits imposed.

- At the discretion of the committee, refer any such application to the full Council as is considered necessary.

- Appoint a member and/or member or other suitable person to represent the community of parts or the whole of the parish at any public or other inquiry by a Government Department or Ministry or other public body under any act relating to development control.

- Be empowered to liaise with any person, organisation or department of any local authority or utility board on any matter within the committee's area of responsibility.

- Monitor the application and effectiveness of Tree Preservation Orders in the parish and make appropriate recommendations in this connection to the responsible authority.

- The Clerk, in consultation with the committee chairman, to advise the Planning Authority accordingly if it is considered necessary for a representative to attend a meeting of the Planning Committee where a planning application is to be considered and the officer recommendation is contrary to the parish observation. Members willing to attend such meetings to advise the Clerk accordingly.

Appendix E

Policy & Resources Committee

The Policy and Resources Committee has responsibility and delegated authority to:

- Receive and deal with any special references from the Council.
- Be responsible for the financial, manpower of the Council. This shall include arrangements for the acquisition, allocation, disposal, inventory and insurance of any land, buildings or substantial property and for provision of capital equipment.
- Take urgent action in the interest of the Council where time precludes normal council or committee consideration of a particular matter.
- Incur expenditure on behalf of the Council within the budgetary limits as prescribed annually.
- Review the effectiveness of the organisational and administrative processes of the Council.
- Make recommendations as necessary to Council: for changes in committee structure, alterations to Standing Orders, administrative, financial and executive arrangements of the Council.
- Guide the Council in the formulation of policy objectives and recommend such provision in the annual budget as necessary.
- Consider the recommendations of the Amenities Committee and Lloyds Recreation Ground when recommending the annual budget and precept to Council.
- Approve all financial matters and accounts for payment as provided for by Financial Regulations and the Council.
- To present the precept to the December meeting of the Council for approval and subsequent submission to New Forest District Council.
- To set up a Leases & Contracts working party as and when there is a need to review or grant a lease or contract.

Delegated to the Chairman of the Council and Chairman of the Committee and Clerk (acting together):
At the request of the Parish Clerk and in circumstances deemed to be exceptional and urgent (e.g. health and safety matters) to exercise any powers within the purview of their committee provided they are satisfied that the decision cannot wait for the next meeting, is not against known Council policy,

is financially viable or defensible and is reported to the next ordinary meeting of the Committee. In the event that the Chairman and/or Vice Chairman are absent and cannot be contacted, then this power shall pass to the Vice Chairman of the Council or another member acting with one of those members.

Personnel Committee

Appendix E

The Personnel Committee has responsibility and delegated authority to:

- establish and keep under review the staffing structure.
- draft implement, review, monitor and revise policies for staff.
- establish and review salary pay scales for all categories of staff and to be responsible for their administration and review.
- Be responsible for all staff recruitment and appointment of staff excluding the Clerk.
- arrange for the execution of new employment contracts and changes/variations to contracts.
- establish and review performance management including annual appraisals and staff training.
- oversee any process leading to the dismissal of staff and any subsequent appeal.
- oversee and process any disciplinary matter.
- keep under review staff working conditions, and health and safety matters.
- monitor and address regular or sustained staff absence.
- make recommendations on staffing related expenditure to Policy and Resources Committee.
- supervise and performance manage the Clerk’s work and administer leave requests.

Marchwood Parish Council
Marchwood Village Hall, Village Centre, Marchwood SO40 4SF
Tel: 02380 860273 office@marchwoodparish.gov.uk **Appendix F**

Marchwood Community Association	Cllr Hindle
New Forest Association Local Council	All Councillors
New Forest Environment Protection Liaison	Cllr Leath
New Forest Consultative Panel	Cllr Proctor
The Handy Trust (Nominated Trustee)	Cllr Case
Marchwood Twinning Association	Cllr Proctor
Marchwood Fete	Cllr Mballa
NFDC Quadrant Meetings	All Councillors
Marchwood Schools Liaison (2 members)	Cllr Leath
ABP Port Consultative Committee (2 Members)	Cllr Case, Clerk
Solent Gateway Liaison Group	Cllr Buckett, Leath and Mballa
Scout and Guide Management Committee	Cllr Buckett
Waterside Community Fund Representation	Judy Saxby

Do the Numbers Limited

9th May 2025

Tina Dudley, Clerk
Marchwood Parish Council
Marchwood
Hampshire, SO40 4SX

Dear Tina,
Subject: Review of matters arising from Internal Audit for 31 March 2025

Following my visit to the office today, please find below the list of matters arising. I found the records and systems of the council to be in extremely good order.

The internal audit was carried out in accordance with the requirements of the Audit and Accounts Regulations 2015 and the guidance and instruction in the Practitioners Guide 2025

Test	**Matter arising**	**Recommended Action**
A	*Appropriate accounting records have been properly kept throughout the financial year*	
	The records of the council comply	with this test
B	*This authority complied with its financial regulations, payments were supported by invoices, all expenditure was approved and VAT appropriately accounted for*	
	The records of the council now	comply with this test
C	*This authority assessed the significant risks to achieving its objectives and reviewed the adequacy of arrangements to manage these*	
	The records of the council comply	with this test
D	*The budget resulted from an adequate budgetary process, progress against the budget was regularly monitored, the reserves were appropriate*	
Precept	When the budget was approved, the amount of the precept was not clearly minuted.	The amount being precepted on the District Council should always be clearly minuted
E	*Expected income was fully received, based on correct prices, properly recorded and promptly banked; and VAT was appropriately accounted for*	
	The records of the council comply	with this test
F	*Petty cash payments were properly supported by receipts, all petty cash was approved and VAT appropriately accounted for*	
	No longer applicable to this council	
G	*Salaries to employees and allowances to members we paid in accordance wit this authority's approvals, and PAYE and NI requirements were properly applied*	
Starters and leavers	It is an essential control that the members of the council know who they are employing and on what terms. This allows them to if needs be validate the total cost of payroll.	Whenever an employee leaves, the date of their final employment should be minuted. All starters and recruitment processes need to be recorded including date, scale point, hours and pension terms.
H	*Asset and investment registers were complete and accurate and properly maintained*	
Quote approval	When quotes for work are approved, the value has not always been	Please ensure that this is done from now on.

	minuted.	
I	*Periodic Bank reconciliations were carried out during the year*	
	The records of the council now	comply with this test
J	*Accounting statements prepared during the year were prepared on the correct accounting basis, agreed to the cash book, supported by an adequate audit trail and debtors and creditors recorded.*	
	The records of the council comply	with this test
K	*Certified Exempt in prior year*	
	Not applicable to this council	
L	*Transparency Code*	
	The records of the council comply	with this test
M	*Public Rights*	
	The records of the council now	comply with this test
N	*Publication of prior year AGAR*	
	The records of the council comply	with this test
O	*Trust funds*	
	The records of the council comply	with this test
P	*Borrowing*	
	The records of the council comply	with this test

I will return to the office later in the year to complete my review.

If either you or your members have any queries, please do not hesitate to contact me.

Regards,

Eleanor S Greene

Annual Internal Audit Report 2024/25

MARCHWOOD PARISH COUNCIL

www.marchwoodparish.gov.uk

During the financial year ended 31 March 2025, 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 2024/25 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.			NOT USED
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 2023/24, it met the exemption criteria and correctly declared itself exempt. *(If the authority had a limited assurance review of its 2023/24 AGAR tick "not covered")*			N/A
L. The authority published the required information on a website/webpage up to date at the time of the internal audit in accordance with the relevant legislation.	✓		
M. In the year covered by this AGAR, the authority correctly provided for a period for the exercise of public rights as required by the Accounts and Audit Regulations *(during the 2024-25 AGAR period, were public rights in relation to the 2023-24 AGAR evidenced by a notice on the website and/or authority approved minutes confirming the dates set).*	✓		
N. The authority has complied with the publication requirements for 2023/24 AGAR *(see AGAR Page 1 Guidance Notes).*	✓		

O. (For local councils only)	Yes	No	Not applicable
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: 24/1/25, 9/5/25

Name of person who carried out the internal audit: ELEANOR S. GREENE

Signature of person who carried out the internal audit: [signature]

Date: 9/5/25

***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 2024/25

We acknowledge as the members of:

MARCHWOOD PARISH 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 2025, that:

	Agreed Yes	Agreed No*		'Yes' means that this authority:
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/YYYY

and recorded as minute reference:

MINUTE REFERENCE

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

Chair SIGNATURE REQUIRED

Clerk SIGNATURE REQUIRED

marchwoodparish.gov.uk

Section 2 – Accounting Statements 2024/25 for

MARCHWOOD PARISH COUNCIL ENTER NAME OF AUTHORITY

	Year ending		Notes and guidance
	31 March 2024 £	31 March 2025 £	*Please round all figures to nearest £1. Do not leave any boxes blank and report £0 or Nil balances. All figures must agree to underlying financial records.*
1. Balances brought forward	203,119	196,106	*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	287,057	329,463	*Total amount of precept (or for IDBs rates and levies) received or receivable in the year. Exclude any grants received.*
3. (+) Total other receipts	23,948	54,316	*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	196,859	205,531	*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	121,159	148,511	*Total expenditure or payments as recorded in the cash-book less staff costs (line 4) and loan interest/capital repayments (line 5).*
7. (=) Balances carried forward	196,106	225,843	*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	200,651	224,369	*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	993,007	971,399	*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).*

For Local Councils Only	Yes	No	N/A	
11a. Disclosure note re Trust funds (including charitable)	✓			*The Council, as a body corporate, acts as sole trustee and is responsible for managing Trust funds or assets.*
11b. Disclosure note re Trust funds (including charitable)	✓			*The figures in the accounting statements above exclude any Trust transactions.*

I certify that for the year ended 31 March 2025 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

Angie Woodward SIGNATURE REQUIRED

Date 12/05/2025 DD/MM/YYYY

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

DD/MM/YYYY

as recorded in minute reference:

MINUTE REFERENCE

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

SIGNATURE REQUIRED

Name of Smaller authority: Marchwood Parish Council

NOTICE OF PUBLIC RIGHTS AND PUBLICATION OF UNAUDITED ANNUAL GOVERNANCE & ACCOUNTABILITY RETURN

ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2025

Local Audit and Accountability Act 2014 Sections 26 and 27
The Accounts and Audit Regulations 2015 (SI 2015/234)

NOTICE

1. Date of announcement **Monday 2nd June 2025 (**a)

2. Each year the smaller authority's Annual Governance and Accountability Return (AGAR) needs to be reviewed by an external auditor appointed by Smaller Authorities' Audit Appointments Ltd. The unaudited AGAR has been published with this notice. As it has yet to be reviewed by the appointed auditor, it is subject to change as a result of that review.
Any person interested has the right to inspect and make copies of the accounting records for the financial year to which the audit relates and all books, deeds, contracts, bills, vouchers, receipts and other documents relating to those records must be made available for inspection by any person interested. For the year ended 31 March 2025, these documents will be available on reasonable notice by application to:

(b) Tina Dudley – Clerk to Marchwood Parish Council
Marchwood Village Hall, Village Centre, Marchwood, SO40 4SF
02380 860273 clerk@marchwoodparish.gov.uk

commencing on (c) Tuesday 3rd June 2025

and ending on (d) Wednesday 16th July 2025

3. Local government electors and their representatives also have:

- The opportunity to question the appointed auditor about the accounting records; and
- The right to make an objection which concerns a matter in respect of which the appointed auditor could either make a public interest report or apply to the court for a declaration that an item of account is unlawful. Written notice of an objection must first be given to the auditor and a copy sent to the smaller authority.

The appointed auditor can be contacted at the address in paragraph 4 below for this purpose between the above dates only.

4. The smaller authority's AGAR is subject to review by the appointed auditor under the provisions of the Local Audit and Accountability Act 2014, the Accounts and Audit Regulations 2015 and the NAO's Code of Audit Practice 2015. The appointed auditor is:

BDO LLP
Arcadia House
Maritime Walk
Ocean Village
Southampton
SO14 3TL
✉ councilaudits@bdo.co.uk

5. This announcement is made by (e) Angela Woodward – Deputy Clerk/Responsible Finance Officer

LOCAL AUTHORITY ACCOUNTS: A SUMMARY OF YOUR RIGHTS

Please note that this summary applies to all relevant smaller authorities, including parish meetings where there is no parish council.

The basic position

The Local Audit and Accountability Act 2014 (the Act) governs the work of auditors appointed to smaller authorities. This summary explains the provisions contained in Sections 26 and 27 of the Act. The Act and the Accounts and Audit Regulations 2015 also cover the duties, responsibilities and rights of smaller authorities, other organisations and the public concerning the accounts being audited.

As a local elector, or an interested person, you have certain legal rights in respect of the accounting records of smaller authorities. As an interested person you can inspect accounting records and related documents. If you are a local government elector for the area to which the accounts relate you can also ask questions about the accounts and object to them. You do not have to pay directly for exercising your rights. However, any resulting costs incurred by the smaller authority form part of its running costs. Therefore, indirectly, local residents pay for the cost of you exercising your rights through their council tax.

The right to inspect the accounting records

Any interested person can inspect the accounting records, which includes but is not limited to local electors. You can inspect the accounting records for the financial year to which the audit relates and all books, deeds, contracts, bills, vouchers, receipts and other documents relating to those records. You can copy all, or part, of these records or documents. Your inspection must be about the accounts, or relate to an item in the accounts. You cannot, for example, inspect or copy documents unrelated to the accounts, or that include personal information (Section 26 (6) – (10) of the Act explains what is meant by personal information). You cannot inspect information which is protected by commercial confidentiality. This is information which would prejudice commercial confidentiality if it was released to the public and there is not, set against this, a very strong reason in the public interest why it should nevertheless be disclosed.

When smaller authorities have finished preparing accounts for the financial year and approved them, they must publish them (including on a website). There must be a 30 working day period, called the ‘period for the exercise of public rights’, during which you can exercise your statutory right to inspect the accounting records. Smaller authorities must tell the public, including advertising this on their website, that the accounting records and related documents are available to inspect. By arrangement you will then have 30 working days to inspect and make copies of the accounting records. You may have to pay a copying charge. The 30 working day period must include a common period of inspection during which all smaller authorities’ accounting records are available to inspect. This will be 1-14 July 2025 for 2024-25 accounts. The advertisement must set out the dates of the period for the exercise of public rights, how you can communicate to the smaller authority that you wish to inspect the accounting records and related documents, the name and address of the auditor, and the relevant legislation that governs the inspection of accounts and objections.

The right to ask the auditor questions about the accounting records

You should first ask your smaller authority about the accounting records, since they hold all the details. If you are a local elector, your right to ask questions of the external auditor is enshrined in law. However, while the auditor will answer your questions where possible, they are not always obliged to do so. For example, the question might be better answered by another organisation, require investigation beyond the auditor’s remit, or involve disproportionate cost (which is borne by the local taxpayer). Give your smaller authority the opportunity first to explain anything in the accounting records that you are unsure about. If you are not satisfied with their explanation, you can question the external auditor about the accounting records.

The law limits the time available for you formally to ask questions. This must be done in the period for the exercise of public rights, so let the external auditor know your concern as soon as possible. The advertisement or notice that tells you the accounting records are available to inspect will also give the period for the exercise of public rights during which you may ask the auditor questions, which here means formally asking questions under the Act. You can ask someone to represent you when asking the external auditor questions.

Before you ask the external auditor any questions, inspect the accounting records fully, so you know what they contain. Please remember that you cannot formally ask questions, under the Act, after the end of the period for the exercise of public rights. You may ask your smaller authority other questions about their accounts for any year, at any time. But these are not questions under the Act.

You can ask the external auditor questions about an item in the accounting records for the financial year being audited. However, your right to ask the external auditor questions is limited. The external auditor can only answer 'what' questions, not 'why' questions. The external auditor cannot answer questions about policies, finances, procedures or anything else unless it is directly relevant to an item in the accounting records. Remember that your questions must always be about facts, not opinions. To avoid misunderstanding, we recommend that you always put your questions in writing.

The right to make objections at audit

You have inspected the accounting records and asked your questions of the smaller authority. Now you may wish to object to the accounts on the basis that an item in them is in your view unlawful or there are matters of wider concern arising from the smaller authority's finances. A local government elector can ask the external auditor to apply to the High Court for a declaration that an item of account is unlawful, or to issue a report on matters which are in the public interest. You must tell the external auditor which specific item in the accounts you object to and why you think the item is unlawful, or why you think that a public interest report should be made about it. You must provide the external auditor with the evidence you have to support your objection. Disagreeing with income or spending does not make it unlawful. To object to the accounts you must write to the external auditor stating you want to make an objection, including the information and evidence below and you must send a copy to the smaller authority. The notice must include:

- confirmation that you are an elector in the smaller authority's area;
- why you are objecting to the accounts and the facts on which you rely;
- details of any item in the accounts that you think is unlawful; and
- details of any matter about which you think the external auditor should make a public interest report.

Other than it must be in writing, there is no set format for objecting. You can only ask the external auditor to act within the powers available under the Local Audit and Accountability Act 2014.

A final word

You may not use this 'right to object' to make a personal complaint or claim against your smaller authority. You should take such complaints to your local Citizens' Advice Bureau, local Law Centre or to your solicitor. Smaller authorities, and so local taxpayers, meet the costs of dealing with questions and objections. In deciding whether to take your objection forward, one of a series of factors the auditor must take into account is the cost that will be involved, they will only continue with the objection if it is in the public interest to do so. They may also decide not to consider an objection if they think that it is frivolous or vexatious, or if it repeats an objection already considered. If you appeal to the courts against an auditor's decision not to apply to the courts for a declaration that an item of account is unlawful, you will have to pay for the action yourself.

For more detailed guidance on public rights and the special powers of auditors, copies of the publication Local authority accounts: A guide to your rights are available from the NAO website.	If you wish to contact your authority's appointed external auditor please write to the address in paragraph 4 of the *Notice of Public Rights and Publication of Unaudited Annual Governance & Accountability Return*.

CONFLICT OF INTEREST WITH BDO LLP

To be completed annually and minuted at a meeting of the smaller authority.

Name of Smaller Authority	Marchwood Parish Council

☐ I confirm that there are no conflicts of interest with BDO LLP.

☐ I confirm the following conflicts of interest (please detail below:

____

____

____

____

____

This was confirmed and minuted at the following meeting:

Date of Meeting	Minute Reference
19 May 2025	

Signed (Clerk/RFO)

Print Name

Signed (Chair)

Print Name

Marchwood Parish Council

Business Case

Installation of a fully integrated Solar PV system with battery storage at Lloyd Recreation Ground

7 May 2025

Contents

Document Control

Document Title	Installation of Solar PV array at Lloyd Recreation Ground
Authors	Cllrs Nigel Bucket, Cllr John Case, Tina Dudley & Angela Woodward
Date	7 May 2025
Further copies from	MPC Parish Office

1. Executive Summary

As sole trustees of the Lloyd Recreation Ground, Marchwood Parish Council has a compelling rationale for transitioning to renewable energy, driven by significant economic, environmental, and social benefits. One of the most persuasive factors is cost savings. Switching to renewable green energy will help reduce our carbon footprint, result in cost savings, and enhance our public image.

Solar PV with battery storage brings short-, medium-, and long-term financial energy savings and provides the opportunity to enhance recreational facilities for the use of the community of Marchwood.

The International Renewable Energy Agency (IRENA) reports that the cost of electricity from solar photovoltaics (PV) has dropped by 82% since 2010, making it one of the cheapest sources of new electricity, alongside onshore wind.

The cost of manufacturing solar panels has drastically reduced in the past decade, which means they are more affordable and often the cheapest form of electricity. These panels have a lifespan of around 30-40 years.

From April 2022 to March 2025, our electricity bills averaged £4,913 per annum. Despite moving to a new electricity tariff, the projected electricity bill for 2025/26 would be about £3,120 per annum.

The proposed new Solar Photovoltaic (PV) with Battery storage is estimated to reduce this to £900 per annum, a saving of £2,200 per annum.

MPC can apply for a Smart Export Guarantee (SEG) for the surplus electricity that cannot be captured by battery storage.

The proposed Solar PV has a capacity of 19.8kWh and would qualify us as an SEG generator, and MPC would currently get 3 pence per kWh. The annual income from SEG, estimated at £252 per annum, would offset our daily standing charge of £178 per annum if we switched to the recommended Octopus Energy Tariff.

MPC's Energy Performance Certificate (EPC) has recommended changes that can help reduce our energy consumption by installing a more efficient water heating system.

The solar energy that MPC generates can also heat water, similar to that of a domestic immersion heater. The Solar PV & Battery Storage has the potential to meet the hot water heating requirements of the changing rooms in the Pavilion.

Our recommended GivEnergy Inverters and Batteries have a 12-year Manufacturer's Warranty. The batteries utilise Lithium iron phosphate (LiFePO4) chemistry, the safest cell technology on the market.

In the 2025-26 financial year, MPC applied and secured £9,995 to install solar panels on the Pavilion at the Lloyd Recreation Ground.

The equipment and installation cost for the recommended system is £23,030.

Marchwood Parish Council reserves will fund the £13,035 balance.

2. Business Case details

Project Name	Installation of a fully integrated Solar PV system with battery storage at Lloyd Recreation Ground
Project Sponsor	Marchwood Parish Council
Project Manager	Tina Dudley
Service description	Sustainable Green Energy
Partner organisation(s)	[redacted]

3. Strategic Case

Our Strategic Case demonstrates that the spending proposal provides a viable and sustainable electricity supply, providing yearly savings on our current consumption and predicated upon a robust and evidence-based case for change.

This business case includes the rationale of why change is required, as well as a clear definition of outcomes and the potential scope for what is to be achieved.

3.1 The proposal

To Install a fully integrated Solar PV system with battery storage at Lloyd Recreation Ground.

3.2 The case for change

3.2.1 Alignment with Marchwood Parish Council's objectives/priorities

Marchwood Parish Council has a compelling rationale for transitioning to renewable energy, driven by significant economic, environmental, and social benefits. One of the most persuasive factors is running cost savings.

The International Renewable Energy Agency (IRENA) reports that the cost of electricity from solar photovoltaics (PV) has dropped by 82% since 2010, making it one of the cheapest sources of new electricity, alongside onshore wind.

These cost reductions have enabled organisations to achieve substantial savings, with the Carbon Trust indicating that switching to renewable energy can lead to a 20-50% reduction in energy costs.

Switching to renewable green energy will help reduce our carbon footprint, result in cost savings, and enhance our public image.

3.2.2 Fit with national policy

His Majesty's Government is actively pursuing a transition to greener energy, strongly focusing on renewable energy sources, energy security, and economic growth.

After decades of reliance on imported fossil fuels, the new Department for Energy Security and Net Zero's mission is to replace them with cheaper, cleaner domestic energy sources.

The goal is to achieve net-zero emissions by 2050 and to create economic opportunities for the UK through this transition.

3.2.3 Marchwood Parish Council's user needs – current and future

Marchwood Parish Council (MPC) is not immune to the impact of higher energy bills resulting from geopolitical tensions.

We cannot justify increasing our precept without enacting robust, prudent, long-term cost reductions. Our energy cost at Lloyd Recreation Ground was an obvious starting point.

We have already moved to EV vehicles, which has contributed to cost reductions, but there is a compelling economic case to go further and take advantage of external funding.

MPC has already secured funding to install Solar PV, but we need to be bolder and consider how solar energy and battery storage can further reduce our energy bills.

As we have already agreed, improving facilities and potentially increasing revenue income to offset operational expenditure comes with an unavoidable but necessary cost. The challenge is to achieve this by investing wisely in the short and longer term.

The cost of manufacturing solar panels has drastically reduced in the past decade, which means they are more affordable and often the cheapest form of electricity. These panels have a lifespan of around 30-40 years.

Our future energy needs will increase as we improve our recreational options at the Lloyd Recreation Ground.

Our current electricity tariff is 25.90p/kWh with a Daily Standard charge of 48p/day (£175.20/year).

The objective is to make immediate savings in electricity costs by harnessing the benefits of solar energy and battery storage and to be in a position to take full advantage of off-peak electricity tariffs, such as the Shape Shifeter Trio Tariff offered by Octopus Energy.

Time Slot	Tariff charge per kWh
Night Tariff: 12 am – 7 am	16.89p/kWh
Day & Evening Tariff: 7 am – 4 pm & 7 pm-midnight	18.91p/kWh
Peak Time Tariff: 4 pm – 7 pm	39.5p/kWh
Daily Standing Charge: 48.79p/day (£178.09/year)	

This tariff offers greater flexibility and the opportunity to 'buy' cheaper electricity to use during working hours when we can't rely on *Solar to Home*.

If we produce surplus electricity which cannot be captured by battery storage, we can apply for a Smart Export Guarantee (SEG).

The SEG launched on 1 January 2020 and is a government-backed initiative. The SEG requires some electricity suppliers (SEG Licensees (Octopus)) to pay small-scale generators (SEG Generators) like us for low-carbon electricity they export back to the National Grid, providing specific criteria are met.

In our case, our proposed solar photovoltaic (Solar PV) has a capacity of 19.8kWh and would qualify us as an SEG generator, and we would currently get 3 pence per kWh. The annual income from SEG, estimated at £252pa, would offset our daily standing charge of £178pa.

Projected Solar Generation and Storage Savings

Electricity Charges Non-Solar

2022-2023	***2023-2024***	***2024-2025***	***Average***
£4,613	£5,839	£4,288	£4,913

Estimated Bill Savings: Year 1

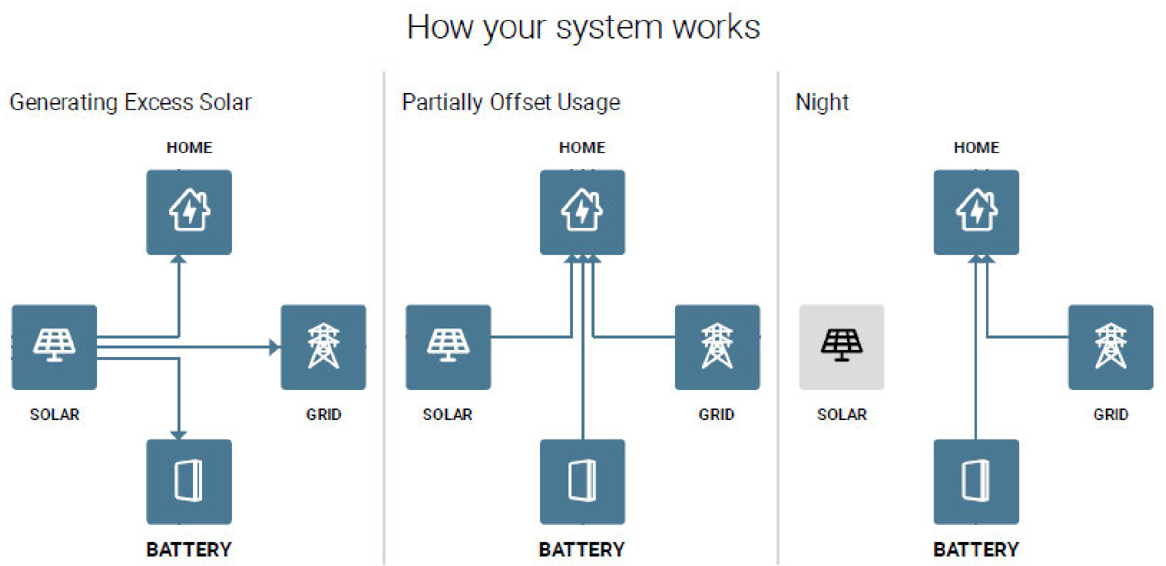
Current Annual Expenditure	£3,120
Annual Bill with Solar Generation	£900
Saving for a year	£2,220

3.2.4 Improvement of current arrangements

It has come to our attention that we have two electricity meters when one would suffice. Having two means we have been paying an additional daily standing charge, which is unacceptable and should have been rectified before now.

This situation has now been rectified, and we are already making financial savings. All our electricity now flows through one meter, sufficient for solar generation.

The benefits of EVs can be further enhanced by migrating to more favourable tariffs, as described in paragraph 3.2.3.



We are grateful for the valuable support from YESSS (Your Electrical Supplies, Service and Solutions), who have helped produce a system specification that meets our needs today and in the medium and longer term. At the heart of YESSS Electricals business ethic is its approach, spotting problems and helping customers solve them.

We cannot charge our EVs overnight, but with simple changes to working practices, we can charge the EVs when staff are engaged in work that doesn't require one of our two vehicles.

In the summer, we can use 'our' electricity or *Solar to Home*, not *Grid to Home.* However*,* there will be times when we will harness our 'stored' electricity or *Battery to Home.*

We can still harness green energy in the winter by charging our battery storage units with cheaper off-peak electricity when *Solar to Home* is less productive.

If we were to become a SEG Generator, we would get 3 pence per kWh. Using the conservative simulation figures supplied by YESS Renewables, the SEG is approximately £252 per annum. However, it may be less due to the energy required by the Solar Diverter.

One of the most apparent improvements is having more control over energy costs in these uncertain economic times.

The solar energy that MPC generates can also be diverted to heat water, similar to that of a domestic immersion heater.

System features and benefits (Summary)

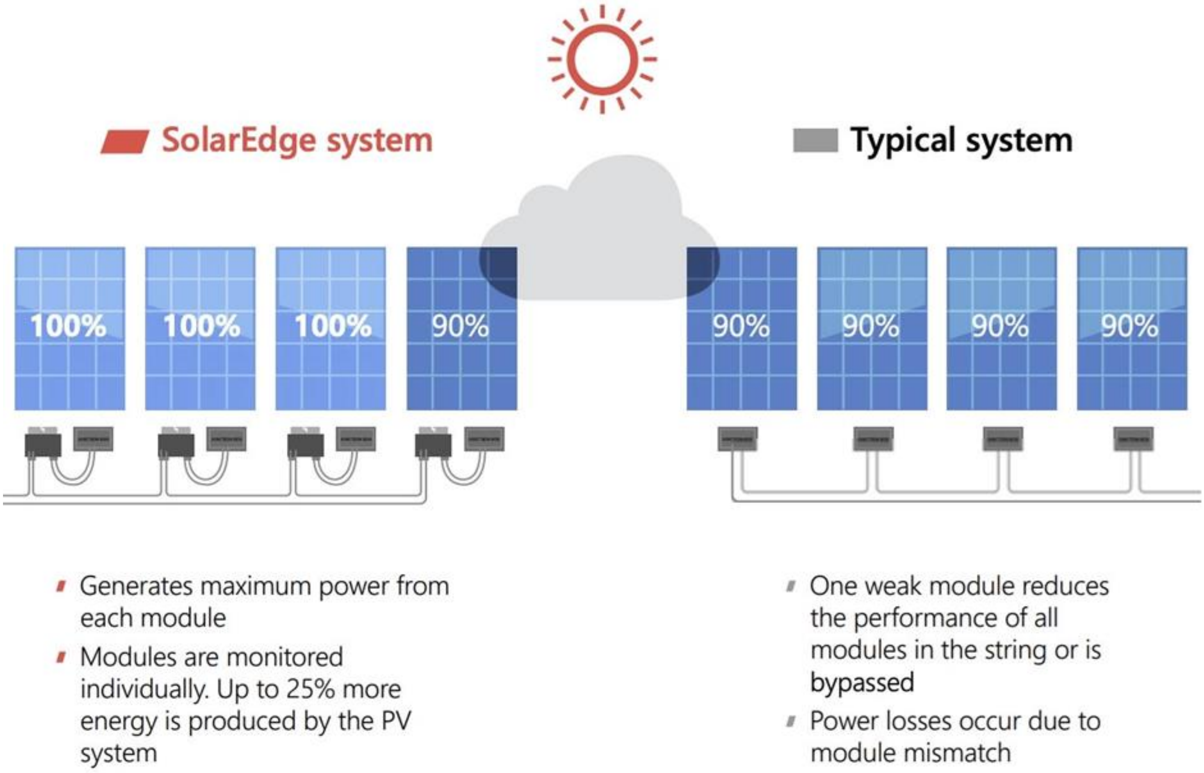
- **Solar panel optimisers** are devices that improve the efficiency of solar panel systems by allowing each panel to operate independently, even when some panels are shaded or have different orientations. They are typically installed on the back of each solar panel.

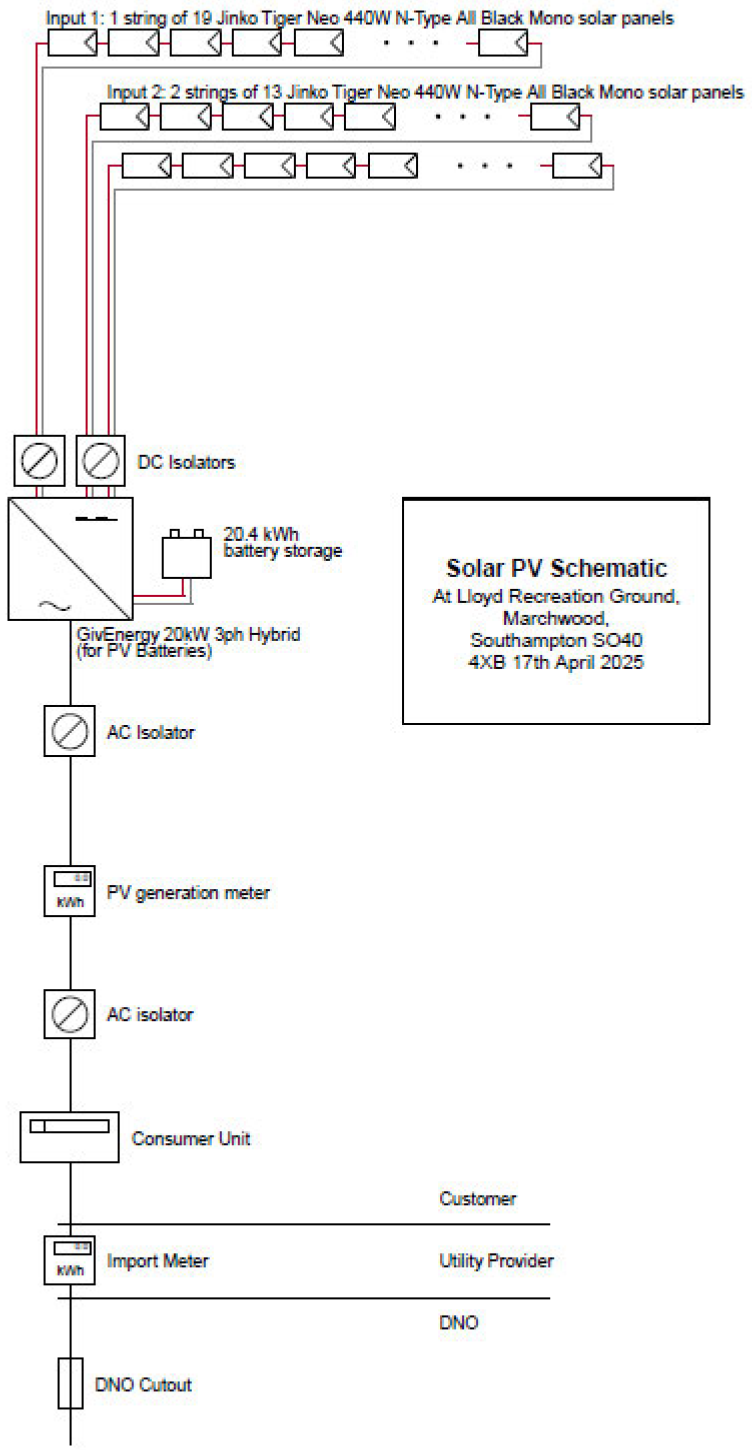
- **Solar Diverters** is a device that redirects excess electricity generated by solar panels to a designated appliance, typically an immersion heater, instead of sending it back to the grid. Diverters allow system owners to use more of their solar power, reducing reliance on grid electricity.

- **Eco Mode** – the system optimises the delivery of generated PV power to prioritise the 'home' load. Grid power is used as a last resort if solar and battery power are unavailable.

- **Off-Peak Charging** – this is prioritised to charge the battery during off-peak times (midnight to 7:00 am) when energy is cheaper, greener and cleaner. The battery will start to discharge outside of the peak time when energy is more expensive. Off-peak charging is optimised with Octopus Shape Shifters: Trio Business Tariff.

- **Back-Up Mode** – The system can be used in the event of a power cut (power outage) by utilising the inverter's option to provide Emergency Power Supply (EPS). It can be set up to provide complete property backup without the end user's intervention. This option is **not** a consideration at this time.


SolarEdge system
Typical system
100%
100%
100%
90%
90%
90%
90%
90%
Generates maximum power from each module
Modules are monitored individually. Up to 25% more energy is produced by the PV system
One weak module reduces the performance of all modules in the string or is bypassed
Power losses occur due to module mismatch



3.2.5 Potential scope for further development/scalability

Our current energy supplier has given us a business tariff. Still, we would save further if we used solar PV with battery storage and switched to an Energy Supplier that offered tariffs best suited to our business needs.

Suppose we migrate to solar PV and Air Source Heat Pump (ASHP) as our sustainable green energy mix. In that case, we would no longer require a gas supply, which is particularly prudent in uncertain sustainable supply sources and price volatility.

MPC recently sought an Energy Performance Certificate (EPC). The EPC recommended two pertinent for greater energy efficiency:-

1. Installation of a more efficient water system, and
2. Consider installing an air source heat pump (ASHP)

3.2.6 Benefits and risks

Solar battery storage offers several benefits, including increased energy independence, cost savings, and environmental advantages. By storing excess solar energy, system owners can reduce their reliance on the grid, lower their electricity bills, and decrease their carbon footprint.

Our recommended solar PV and battery storage system comprises 45 solar panels and optimisers, one inverter and six batteries, and a solar diverter linked to a Flexiheat commercial 500-litre cylinder for the changing room showers.

The benefits of adding a hot water cylinder are subject to a separate business case.

Here's a more detailed look at the benefits:

Increased Energy Independence:

Solar battery storage allows homeowners to store excess energy generated by their solar panels and use it later, reducing their reliance on the grid. This can lead to greater energy security, especially during power outages.

Cost Savings:

Businesses can significantly reduce their energy bills by using stored solar energy instead of grid-supplied electricity, especially during peak times or when the sun isn't shining.

Environmental Benefits:

Solar battery storage promotes the use of renewable energy, reducing the need for fossil fuels and decreasing MPC's carbon footprint.

Maximising Solar Energy Use:

Battery storage allows system owners to utilise more solar energy they generate, even when the sun isn't shining, such as during cloudy days or at night.

Reduced Grid Dependence:

By storing and using solar energy, homeowners can reduce their reliance on the national grid, leading to greater energy security and independence.

Potential for Income Generation:

MPC can export excess energy to the grid when surplus solar energy cannot be utilised or harnessed, producing an additional income revenue stream (SEG).

Solar panels with battery storage systems, while beneficial for renewable energy, carry some risks. These include the potential for fire and explosions due to thermal runaway in lithium-ion batteries, especially if not properly installed, maintained, or ventilated. Other concerns include high initial costs, limited battery lifespan, and potential environmental impacts. Additionally, the degradation of battery capacity over time and reduced export potential due to energy storage in batteries can also be drawbacks.

GivEnergy designs and manufactures its own inverters, batteries and state-of-the-art management system and monitoring platform, which combine to offer an exceptional storage package.

The Lithium iron phosphate (LiFePO4) chemistry is the safest cell technology on the market. GivEnergy offers higher capacity cells and higher density cells and monitors individual cell voltage rather than overall pack voltage. The batteries also utilise prismatic cells rather than conventional soft pouch cells, which minimise heat build-up and thermal hotspots.

LiFePO4 batteries are generally considered safer than other types of lithium-ion batteries. LiFePO4 batteries are more stable and less prone to overheating or catching fire than lithium-ion batteries with different chemistries.8

3.2.7 Constraints and dependencies

Insurers may ask questions regarding design and specification when considering installing solar power. The easiest way to manage this is to put the proposed specification before the insurers at the design stage so their fire surveyors can comment accordingly. It is usually far easier to design an improvement before the construction stage than after the work has started.

4. Economic Case

This section of the Business Case assesses the economic costs and benefits of the proposal to the Parish of Marchwood. It spans the entire period covered by the proposal. These are not the same as the financial costs to the decision-maker. We have presented the key findings of your financial analysis and the overall conclusions.

4.1 Appraisals of costs and benefits

As sole trustees of the Lloyd Recreation Ground, the Council maintains the Pavilion, sports facilities, and open space. We are currently reviewing ways to increase our income and reduce our expenditure.

In the 2025-26 financial year, we applied and secured £9,995 to install solar panels on the Pavilion at the Lloyd Recreation Ground.

Unfortunately, the CIL application bid was submitted before MPC decided to lease EVs, so the original system specification did not take into account the revised capacity required to benefit from the appropriate electricity tariff, EV charging, battery storage capacity and installing solar diverters to power the immersion heater in the Pavillion’s hot water tank for use later.

Excess solar energy is unlikely to meet all the Pavillion’s hot water and heating needs, but it can help reduce energy bills.

We have obtained three quotes to determine which system best suits our immediate and longer-term business needs.

We must ensure that our Zappi EV charger and the Solar PV and battery storage system, including the solar diverter, integrate seamlessly.

The GiveEnergy system is our preferred choice, making keeping most of the green energy MPC produce at ‘home’ easy.

A Fully integrated Solar PV and a potential Air Source Heat Pump (ASHP) for water and heating need reliable integration for maximum yield and cost savings. The Fox system has limitations, whereas SolarEnergy and GivEnergy would fully integrate, and their inverters and battery technology are more advanced.

The Renewable Solutions quotation was obtained before JME Energy’s quotes; therefore, they do not have a similar comparison of the number of panels and energy outputs; if it were to be extrapolated, the quote would probably remain cheaper, but the argument as to which is best does not solely rest on the price as other factors, e.g., quality, reliable, flexibility, control and sustainability as described in the attached paper entitled, *MPC should consider a Complete Solar PV System Manufacturer Comparison*.

The full solar installation costs:-

Equipment and installation	£23,030
less CIL funding	-£9,995
Balance to Finance	**£13,035**

SIMULATION RESULTS

Installed DC Power	Max Achieved AC Power	Annual Solar Energy Production	Annual CO2 Emission Saved	Annual Equivalent Trees Planted
19.80 kWp	16.00 kW	17.40 MWh	3.36 t	155

ESTIMATED BILL SAVINGS YEAR 1

Avg. Monthly

Current Monthly Bill	Monthly Bill with SolarEdge	Net Bill Monthly Savings	Bill Offset
£ 260.00	£ 75.02	£ 184.98 £70.09 Savings from Battery	71.14 % 26.96% Savings from Battery

Estimated Net Lifetime Bill Savings

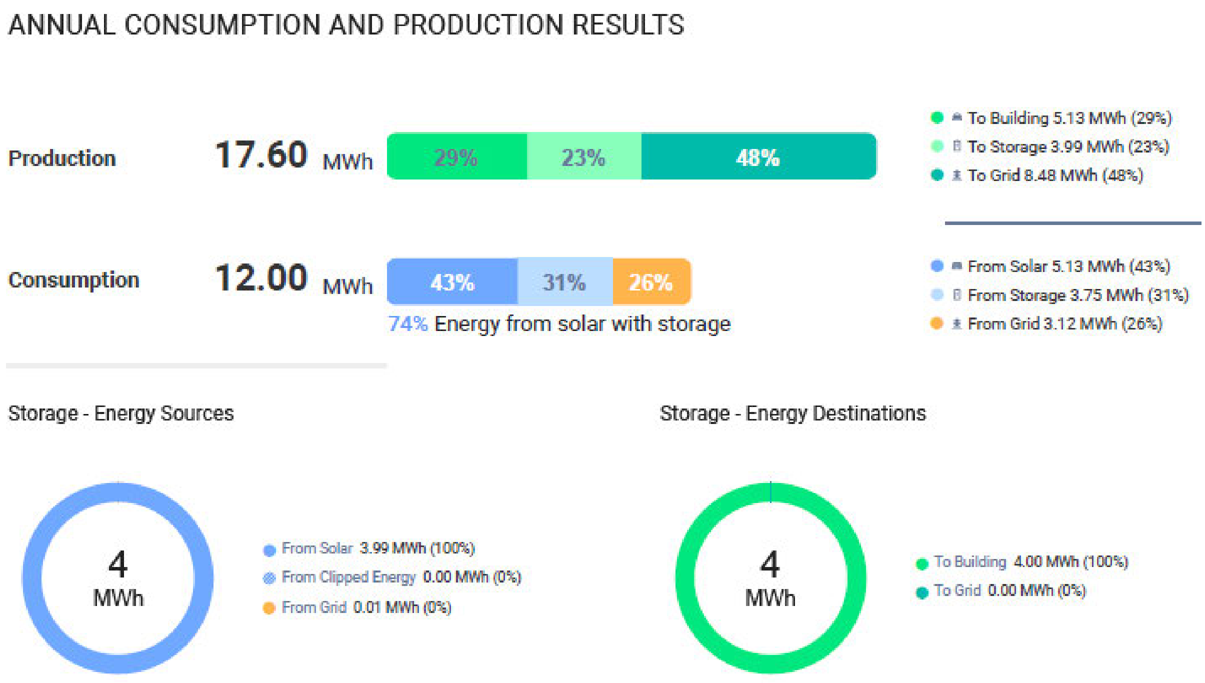
£ 41,336

£15,586 Savings from Battery

Utility Provider: UK provider | Utility Rate: MPC (0.25 £/kWh)

Export Rate: Flat

The above tables illustrate financial savings and energy production, but the proposed system cannot forecast savings on water heating via the solar diverter.



The extra battery will assist in reducing EV charging costs and assist in water heating via the Solar Diverter.

The power that MPC would produce annually from the solar array outweighs the site's consumption by a good margin. Therefore, there would be frequent situations in the summer months where the batteries would be fully charged, and solar production would cover the usage, even with higher battery capacity. In such circumstances, MPC would see energy flowing 'out' to the grid (Export).

Unfortunately, the above graphs and data analysis don't show the advantage of charging the batteries at night on a low tariff, where MPC would see the pull from the grid at low rates and more coming from batteries rather than the grid at the high tariff rates.

The main benefit of this would be through the winter months. With the specified battery size, MPC could pull up to 5kw of power for up to 7 hours on a battery alone, which is excellent for inclement weather and a battery topped up with cheaper energy!

The percentage of energy exported to the grid annually doesn't decrease significantly with increased battery storage. However, the export or income from SEG offsets the Standing Daily Charge MPC has to pay, so it has a financial benefit that should not be ignored and disregarded.

The recommended system specification has a very high production potential. So, for about 6 months of the year, the panels produce roughly twice the power MPC would be able to store or use, and there's nowhere else for them to go other than the grid.

However, using a solar diverter to heat water and power an ASHP would reduce the amount of export potential, which is challenging to articulate in the diagrams above. In addition, the diagrams haven't factored in charging two commercial EVs, which is considerably more than a domestic system would anticipate.

The consumption coming from the grid during summer would likely be just topping up batteries during the night or if we experienced a particularly awful few days of weather and the batteries needed to be charged. The GivEnergy Management system allows control over the times when MPC needs to draw down power from the grid.

Conversely, the winter months will see around half the production capacity the property needs, so it will rarely be exported to the grid. This means the extra 8-10kw of batteries don't change the figures as much as MPC would like, as the batteries still couldn't handle all the extra kWs the system can generate throughout the summer.

However, this isn't the primary reason for solar battery storage.

As stated above, it is about reducing energy costs during the off-season when reliance on Grid Energy is greater. Battery storage is about taking advantage of cheaper tariffs and solar generation to meet our current and future energy needs.

It is also worth noting that the amount MPC sends back (export) to the grid is more than what MPC pull (Import) from the grid each year.

Product Warranties

- **Jinko Tiger Neo modules (Solar Panels)** come with an attractive 25-year product warranty and a 30-year power warranty, guaranteeing 87% efficiency after that time.

- **The 3-phase GivEnergy Hybrid Inverter** is a battery inverter and solar inverter in one unit, meaning the battery is AC and DC coupled. It has a 12-year warranty.

- **GiveEnergy Stackable Batteries** have a 12-year warranty and life cycle. They have a depth of discharge of 100%.

Performance Estimates

The performance of the solar array is calculated by multiplying the size of the array (kWp) by the shading factor (sf) and a site correction factor (kk), taken from tables which take account of the geographical location, orientation and inclination of the array.

System performance projections anticipate that 74% of energy consumption will be from solar and battery storage.

The estimated lifetime savings are a conservative estimate of £41,336, of which £15,586 is from battery storage.

4.2 Critical success factors to achieving the Economic Case

To achieve MPC's objective, MPC must immediately save electricity costs by harnessing the benefits of solar energy and battery storage to take full advantage of off-peak electricity tariffs, such as the Shape Shifeter Trio Tariff offered by Octopus Energy.

MPC can only achieve their stated objectives if a nationally accredited trade organisation or company undertakes the installation and obtains an MCS (Microgeneration Certification Scheme) Certificate.

An MCS (Microgeneration Certification Scheme) certificate verifies that a renewable energy installation, like solar panels or heat pumps, has been installed to a high standard and meets industry quality standards. It ensures products and installers adhere to specific regulations, and using an MCS-certified installer is a mark of quality and assurance.

Key aspects:

- Installation: The certificate confirms that the installation has been designed, installed, and commissioned to the highest standards.

- Products: It verifies that only MCS-certified products have been used.

- Installer: It confirms that the installer is qualified and compliant with MCS standards.

Our preferred installer, JME Energy Ltd, will obtain the appropriate MCS Certificate and G99 certification.

A G99 certificate is a technical standard and application process in the UK for connecting larger-scale power-generating systems (like solar PV and battery storage) to the national electricity grid. It ensures these systems can safely and reliably connect, preventing potential grid disruptions. Specifically, G99 applies to systems with a total potential output above 3.68 kW.

4.3 Risk assessment

Our preferred supplier, JME Energy, has to share our commitment to providing cutting-edge renewable energy solutions tailored to our needs.

The system design and installation must ensure the 45 high-efficiency solar panels are strategically positioned to maximise sunlight exposure and energy generation.

The GivEnergy hybrid inverter was chosen for its superior performance and ability to optimise the energy output of each panel.

The 3-phase GivEnergy Hybrid Inverter is a battery inverter and solar inverter in one unit, meaning the battery is AC and DC coupled.

It will be coupled directly with solar panels to generate usable electricity in the property and store any excess energy in the battery for later use.

The system has to be equipped with advanced battery storage, allowing MPC to store excess energy generated during peak sunlight hours for use during the evening or on cloudy days. This integration enhances energy independence and efficiency.

JME Energy must meticulously plan and execute the installation, ensuring all components are seamlessly integrated with the existing electrical setup. The project requires precise coordination to align the panels for optimal performance and to ensure the inverter and battery storage are correctly configured.

As the diagram on the previous pages illustrates, solar panels must have optimisers fitted to ensure the system is running at peak performance levels.

5. Commercial Case

Our commercial case demonstrates that the project will result in a viable and well-structured procurement solution. This section includes details relating to the planning and management of the procurement.

In the following few paragraphs, MPC (the buyer) demonstrates how the service will be procured competitively and in accordance with procurement requirements.

5.1 Procurement strategy

A good procurement strategy prioritises strategic sourcing, supplier management, and risk mitigation while aiming for cost efficiency, quality, and continuous improvement. It involves defining clear objectives, implementing effective processes, and utilising technology to optimise the procurement cycle.

MPC believes it has achieved this.

There are many potential suppliers of Green Energy products and services.

Our strategy of clear objectives and outcomes and establishing a mutually beneficial working relationship with the system designer and installer has ensured a future-proofed system that delivers tangible long-term running cost savings and energy independence.

Unfortunately, our journey to secure this relationship often resulted in potential suppliers wanting to provide their off-the-shelf solutions, which were frequently aimed at the domestic market and not at our unique bespoke requirements.

Working with a system designer has resulted in several system improvements and cost savings that other companies hadn't considered or thought relevant to our needs.

Similarly, there are several qualified installers. However, we recommend continuing our business relationship with JME Energy following the extremely well-executed installation and aftercare when we installed our EV Charging point.

The decision as to what solar PV generation and battery storage equipment would be was a more complex decision and one that took several redesigns to ensure MPC had the best solution to our evolving energy needs.

Again, many green companies wanted to offer their off-the-shelf solutions, not thinking which equipment met our bespoke needs.

In the end, despite two market leaders – SolarEdge and GivEnergy, it came down to the very fine margins of operational performance.

The recommendation is to purchase from GivEnergy, a British-based manufacturer of battery storage systems that boasts an international presence and has manufacturing research and development facilities in the United Kingdom.

5.2 Contractual arrangements

The contractual arrangements will be a simple offer and acceptance contractual arrangement once the precise specifications and cost are agreed upon.

5.3 Charging mechanism

One condition will be to make an advance payment to purchase capital equipment and make the full and final payment when the system is online and completed to MPC's satisfaction.

6. Financial Case

This Financial Case demonstrates that the project will result in a fundable and affordable arrangement for the decision-maker.

The project team have summarised the project's overall capital and revenue affordability, including any additional funding requirements.

6.1 Capital and revenue requirements

Description	Value
CIL Funding	£9,995
MPC Reserves	£13,035

6.1.1 Requirements in order to realise savings

The objective is to make immediate savings in electricity costs by harnessing the benefits of solar energy and battery storage and to be in a position to take full advantage of off-peak electricity tariffs, such as the Shape Shifeter Trio Tariff offered by Octopus Energy.

Choosing the correct tariff offers greater flexibility and the opportunity to 'buy' cheaper electricity to use during working hours when we can't rely on Solar to Home.

If we produce surplus electricity which cannot be captured by battery storage, we can apply for a Smart Export Guarantee (SEG).

6.2 Non-financial benefits

Switching to renewable green energy will help reduce our carbon footprint and enhance our public image.

7. Management case

The management case outlined below demonstrates that the project can be delivered successfully, according to recognised best practices.

7.1 Programme and project management plans

The project team worked closely with the design team to ensure the final specification met current and future needs while ensuring the project wasn't over-engineered. During the design phase, some enhancements unique to a sports pavilion were added to cater for future expansion needs and future-proofing in these uncertain energy times.

During the installation phase, the project team will work closely with the installer to ensure the installation is completed according to the agreed-upon timescales and within the agreed budget.

Before signing off on the project, the project team will need to be satisfied that the system is performing to the agreed specification and that the staff employed to manage the solar generation are properly trained and capable of utilising the generation of the energy produced to ensure the cost savings are maximised.

7.2 Change management arrangements/requirements

No addition of management arrangements is planned.

7.3 Approach to management and delivery of benefits

The day-to-day management rests with the MPC's officers, but general oversight rests with the Policy & Resource Committee.

7.4 Approach to risk management

Once the installation has been completed and the project has been signed off, there will be minimal risk apart from ensuring that the system is maintained according to the manufacturer's recommendations.

7.5 Monitoring during implementation

The project team will work closely with the installation throughout the short time this project will take to complete and commission.

7.6 Post-implementation evaluation arrangements

These arrangements will be undertaken by the project team and returned to the full Council or appropriate committee as deemed appropriate.

Contingency arrangements/exit strategy

There is no exit strategy for this project.

8. Conclusions and salient issues for further consideration

8.1 Conclusions

This project has been well executed, coordinated, and planned. It has required several weeks of diligent work by the project team to ensure this project meets its objectives and delivers substantial financial and social benefits in the short, medium and longer term.

The project team commend this business case to the Marchwood Parish Council for favourable consideration.

8.2 Salient issues for consideration

None, apart from supporting the project team's recommendations.

Marchwood Parish Council

Business Case

Installation of an Air Source Heat Pump System for Heating and Hot Water at Lloyd Recreation Ground

7 May 2025

Contents

Document Control

Document Title	Installation of Air Source Heat Pump at Lloyd Recreation Ground
Authors	Cllrs Nigel Bucket, Cllr John Case, Tina Dudley & Angela Woodward
Date	7 May 2025
Further copies from	MPC Parish Office

Executive Summary

As sole trustees of the Lloyd Recreation Ground, Marchwood Parish Council has a compelling rationale for transitioning to renewable energy, driven by significant economic, environmental, and social benefits. One of the most persuasive factors is cost savings.

Switching to renewable green energy will help reduce our carbon footprint, result in cost savings, and enhance our public image.

Installing an ASHP heating system brings short-, medium-, and long-term financial energy savings and provides the opportunity to enhance recreational facilities for the use of the community of Marchwood.

MPC recently sought an Energy Performance Certificate (EPC). The EPC recommended two pertinent considerations for greater energy efficiency:-

1. Installation of a more efficient water system, and
2. Consider installing an air source heat pump (ASHP)

At the last gas boiler service, MPC's service report noted that the current heating system was inefficient and parts were no longer available, so MPC has a simple decision to make –

1. Replace with a Gas Boiler and continue not to have heating in the shower and changing rooms or
2. Install an ASHP system that will provide central heating. It can also heat water stored in a hot water cylinder for hot taps.

In July 2024, MPC received a quote from SGS Heating & Electrical to install 2 x Rinnai N1600i Lo Nox Condensing Water Heaters Nat Gas 20% blended Hydrogen ready.

The quote should be regarded as a direct like-for-like replacement with no inclusion of a whole building heating system.

The cost for a like-for-like gas boiler replacement is £16,431.25

The ASHP option will supply 14 radiators and hot water via a 250-litre Unvented hot water cylinder.

MPC propose installing a Daikin Altherma 16kw air source heat pump with a 250-litre unvented hot water cylinder. The hot water will supply everything in the building except for the showers. This system will provide 100% coverage of our heating and hot water demand at an external design temperature of -2°C. The unit also has a built-in backup heater to ensure performance at extremely low temperatures.

The cost for the ASHP is £13,500, which includes the Boiler Upgrade Scheme Grant - a £2,932 saving on the Gas Boiler Option.

The ASHP system does not require a gas supply, which will provide a yearly saving of £1,577 per annum based on the average of the last three years' gas supply expenditure.

The ASHP will pay for itself in average gas costs in around eight to nine years. This calculation does not take into consideration the fact that a new heating system is required.

A Fully integrated Solar PV with water diverters and an Air Source Heat Pump (ASHP) for water and heating need reliable integration for maximum yield and cost savings.

Marchwood Parish Council reserves will fund this project.

1. Business Case details

Project Name	Installation of an Air Source Heat system (Heating & Water) at Lloyd Recreation Ground
Project Sponsor	Marchwood Parish Council
Project Manager	Tina Dudley
Service description	Sustainable Green Energy
Partner organisation(s)	[redacted]

2. Strategic Case

Our Strategic Case demonstrates that the spending proposal provides a viable and sustainable electricity supply, providing yearly savings on our current consumption and is predicated upon a robust and evidence-based case for change.

This business case includes the rationale of why change is required, a clear definition of outcomes and the potential scope for what is to be achieved.

3.1 The proposal

Install a fully integrated air source heat pump (ASHP) system for heating and hot water at Lloyd Recreation Ground, which will be fully compatible with and complimentary to the solar PV and battery backup system.

3.2 The case for change

3.2.1 Alignment with Marchwood Parish Council's objectives/priorities

Marchwood Parish Council has a compelling rationale for transitioning to renewable energy, driven by significant economic, environmental, and social benefits. One of the most persuasive factors is cost savings.

Switching to renewable green energy will help reduce our carbon footprint, result in cost savings, and enhance our public image.

3.2.2 Fit with national policy

His Majesty's Government is actively pursuing a transition to greener energy, strongly focusing on renewable energy sources, energy security, and economic growth.

After decades of reliance on imported fossil fuels, the new Department for Energy Security and Net Zero's mission is to replace them with cheaper, cleaner domestic energy sources.

The goal is to achieve net-zero emissions by 2050 and to create economic opportunities for the UK through this transition.

3.2.3 Marchwood Parish Council's user needs – current and future

Marchwood Parish Council (MPC) is not immune to the impact of higher energy bills resulting from geopolitical tensions.

We cannot justify increasing our precept without enacting robust, prudent, long-term cost reductions. Our energy cost at Lloyd Recreation Ground was an obvious starting point.

We have already moved to EV vehicles, which has contributed to cost reductions, but there is a compelling economic case to go further and take advantage of external funding. MPC has already secured funding to install Solar PV. Still, we need to be bolder and consider how solar energy & battery storage, and ASHP can further reduce our energy bills.

As we have already agreed, improving facilities and potentially increasing revenue income to offset operational expenditure comes with an unavoidable but necessary cost. The challenge is to achieve this by investing wisely in the short and longer term.

MPC must have a valid Energy Performance Certificate (EPC). An EPC is valid for 10 years.

MPC recently sought an Energy Performance Certificate (EPC). The EPC recommended two pertinent considerations for greater energy efficiency:-

1. Installation of a more efficient water system, and
2. Consider installing an air source heat pump (ASHP)

At the last gas boiler service, MPC's service report noted that the current heating system was inefficient and parts were no longer available, so MPC has a simple decision to make –

1. ***Replace with a Gas Boiler and continue not to have heating in the shower and changing rooms or***

2. ***Install an ASHP system that will transfer heat from the outside air to the water in newly installed central heating system. ASHP heats rooms in the whole Pavillion via radiators. It can also heat water stored in a hot water cylinder for hot taps and showers.***

In July 2024, MPC received a quote from SGS Heating & Electrical to install 2 x Rinnai N1600i Lo Nox Condensing Water Heaters Nat Gas 20% blended Hydrogen ready.

The quote should be viewed as a direct like-with-like replacement with no inclusion of a whole building heating system.

Cost for the above works:	£16,431.25
VAT @ current rate:	£3,286.25
Total cost for installation inclusive of VAT:	£ 19,717.50

It should also be noted that, unlike ASHP installation, **no** Government Incentive Schemes exist.

The Boiler Upgrade Scheme (BUS) is a heating system grant for system owners in England and Wales to get up to £7,500 off a low-carbon heating system.

Our preferred supplier, Ashmore Plumbing, has calculated the heating requirement to 10.8Kw.

We propose installing a Daikin Altherma 16kw air source heat pump with a 250L unvented hot water cylinder. The hot water will supply everything in the building except for the showers. This system will provide 100% coverage of your heating and hot water demand at an external design temperature of

-2°C. The unit also has a built-in backup heater to ensure performance at extremely low temperatures.

Regarding the showers in the changing rooms which are used less often, it would be better to have a 500ltr Flexiheat WB-500 stainless steel unvented cylinder utilising 2x 9kw Thermco Titanium heating elements purely for the changing room showers. Elements supplied by the solar batteries would heat the 500ltr Flexiheat WB-500 stainless steel unvented cylinder.

A heat pump just isn't going to work when/if there is the maximum demand for the hot water from the showers.

Cost for the ASHP and heatings:	£21,000
VAT @ current rate:	£nil
Boiler upgrade scheme discount	-£7,500
Total cost for installation inclusive of VAT:	£13,500

A £2,932 saving on a gas-fueled hot water-only system.

This saving doesn't include the savings from no longer having a dedicated gas supply.

Our gas tariff with E.ON is £7.80p/kWh and a daily standing charge of 30p/day.

Gas Consumption Costs

2022/23	2023/4	2024/25	Average
£1,072	£2,066	£1,593	£1,577

The ASHP will be powered solely by solar generation and battery storage; thereby, MPC will **no** longer have a gas supply requirement for the building.

Although the ASHP will pay for itself in average gas costs in around ten years, this doesn't take into account that a new heating system is required. The last gas boiler service report stated that service engineers could no longer obtain spare parts from the manufacturer or third-party sources.

3.2.4 Improvement of current arrangements

One of the significant disadvantages of the Pavillion is that there is no heating in the changing or shower rooms. Furthermore, there are just two inefficient electric radiators in The Hub.

The nonexistence of adequate heating contributes to the lack of income generation, which MPC must address and improve to contain increasing operational costs.

It is also worth noting that the solar energy generated by the solar array can be diverted to heat water like a domestic immersion heater.

System features and benefits (Summary)

- **Lower energy bills:** depending on what heating system you're replacing, you can save money on your energy bills.

- **Reduce energy use:** unlike traditional boilers (which use fossil fuels), heat pumps use electricity. And heat pumps are more than three times more efficient than a gas or oil boiler, helping to lower your energy use.
- **Improve carbon footprint:** your CO2 emissions will be lower with a heat pump compared to other types of heating. This is because they don't use fossil fuels, instead taking heat from their environment.

Additional benefits if fully integrated with a Solar PV and battery storage system

- **Off-Peak Charging** – this is prioritised to charge the battery during off-peak times (midnight to 7:00 am) when energy is cheaper, greener and cleaner. The battery will start to discharge outside of the peak time when energy is more expensive. Off-peak charging is optimised with Octopus Shape Shifters: Trio Business Tariff.
- **Backup Mode** – The system can be used in the event of a power cut (power outage) by utilising the inverter's option to provide Emergency Power Supply (EPS). It can be set up to provide complete property backup without the end user's intervention. This option is not included in the business case as additional wiring costs exist.

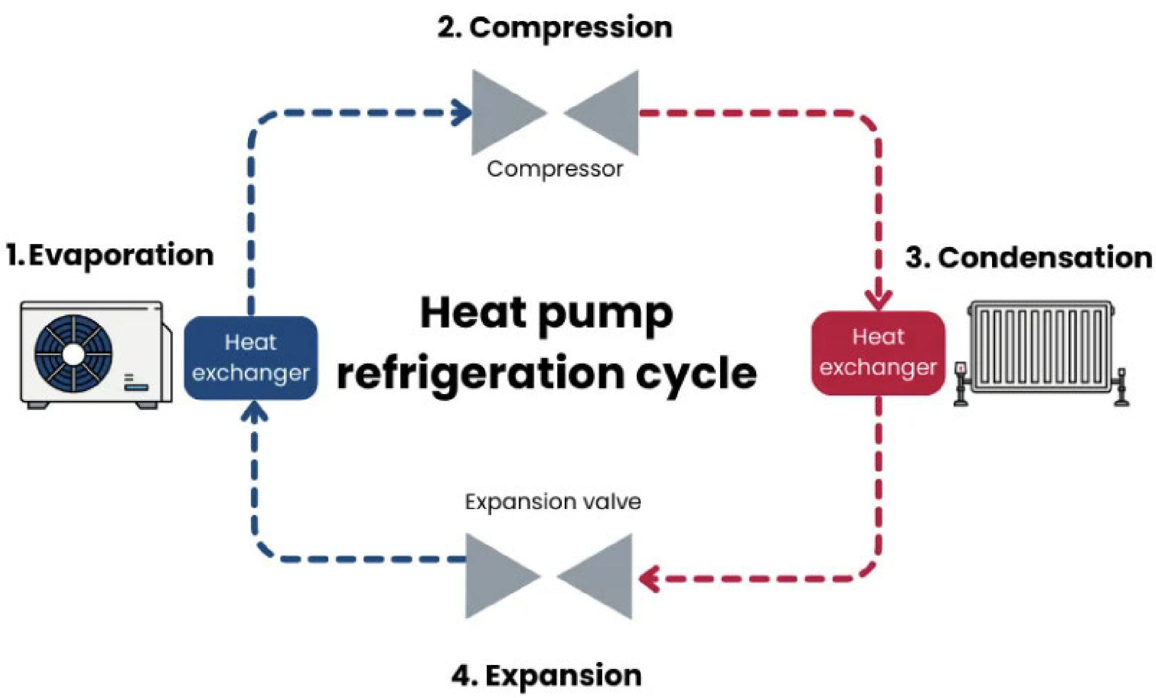
3.2.5 Potential scope for further development/scalability

Our current energy supplier has given us a business tariff. Still, we would save further if we used solar PV with battery storage and switched to an Energy Supplier that offered tariffs best suited to our business needs.

Suppose we migrate to solar PV and Air Source Heat Pump (ASHP) as our sustainable green energy mix. In that case, we would no longer require a gas supply, which is particularly prudent in uncertain sustainable supply sources and price volatility.

3.2.6 Benefits and risks

Air source heat pumps transfer heat from the air to a fluid refrigerant. This fluid passes through a compressor, which raises the fluid's temperature and transfers the heat to your central heating system.



What are the benefits of air source heat pumps?

There are several benefits of air source heat pumps:

- **Lower energy bills:** depending on what heating system you're replacing, you can save money on your energy bills.
- **Reduce energy use:** unlike traditional boilers (which use fossil fuels), heat pumps use electricity. Heat pumps are more than three times more efficient than a gas or oil boiler, helping lower energy use.
- **Improve carbon footprint:** your CO2 emissions will be lower with a heat pump compared to other types of heating. This is because they don't use fossil fuels, instead taking heat from their environment.
- **Reduced Grid Dependence:** By storing and using solar energy, homeowners can reduce their reliance on the national grid, leading to greater energy security and independence.
- **No longer Gas Dependant:** If coupled with our proposed Solar PV and Battery storage with solar diverters, the energy produced will no longer require a gas supply as a supplementary heating source.

Will MPC save money on energy bills with an air source heat pump?

Heat pump running costs can vary depending on:

- Whether the radiators are appropriately sized.
- Your electricity tariff.
- How the heat pump is controlled.

How much you could save on your energy bills also depends on what heating system you're replacing.

In our case, it is not a retrofit but a new installation, so a coupled or integrated Solar PV battery Backup system with solar diverters will provide cheaper heating and hot water than our current inefficient arrangements.

When looking for an installer for renewable installation, it is highly recommended to look for the MCS-certified mark to ensure that the installer is certified.

MCS is a mark of quality, demonstrating that MPC's chosen installer has adhered to recognised industry standards when completing your installation – highlighting quality, competency and compliance.

MCS is a UK government-backed quality assurance scheme that certifies renewable products and installers.

Our preferred heat pump installer is MCS certified and has assessed the Pavillion to help you decide the most suitable heat pump for MPC's needs. They have calculated the Pavillion's heat demand and other information to inform their recommendations.

Ashmore Plumbing's proposal has also highlighted other changes MPC should make to the Pavillion to help MPC's heat pump run as efficiently as possible.

Our preferred installer will provide contact details in case of any problems as well as for arranging a service.

Heat pumps are not very demanding. We advise scheduling an annual maintenance appointment with our installer or service provider to ensure our pump works as efficiently as possible. A typical service would include a number of standard checks and a thorough cleaning of the unit and filters.

3.2.7 Constraints and dependencies

Insurers may ask questions regarding design and specification when considering installing solar power. The easiest way to manage this is to put the proposed specification before the insurers at the design stage so their fire surveyors can comment accordingly. It is usually far easier to design an improvement before the construction stage than after the work has started.

4 Economic Case

This section of the Business Case assesses the economic costs and benefits of the proposal to the Parish of Marchwood. It spans the entire period covered by the proposal. These are not the same as the financial costs to the decision-maker. We have presented the key findings of your financial analysis and the overall conclusions.

4.1 Appraisals of costs and benefits

As sole trustees of the Lloyd Recreation Ground, the Council maintains the Pavilion, sports facilities, and open space. We are currently reviewing ways to increase our income and reduce our expenditure.

A Fully integrated Solar PV with water diverters and an Air Source Heat Pump (ASHP) for water and heating need reliable integration for maximum yield and cost savings.

4.2 Critical success factors to achieving the Economic Case

To achieve our objective, we have to make immediate savings in electricity costs by harnessing the benefits of solar energy and battery storage to take full advantage of off-peak electricity tariffs, such as the Shape Shifeter Tariff offered by Octopus Energy.

MPC can only achieve our stated objectives if a nationally accredited trade organisation or company undertakes the installation and obtains an MCS (Microgeneration Certification Scheme) Certificate.

An MCS (Microgeneration Certification Scheme) certificate verifies that a renewable energy installation, like solar panels or heat pumps, has been installed to a high standard and meets industry quality standards. It ensures products and installers adhere to specific regulations, and using an MCS-certified installer is a mark of quality and assurance.

Key aspects:

- Installation: The certificate confirms that the installation has been designed, installed, and commissioned to the highest standards.

- Products: It verifies that only MCS-certified products have been used.

- Installer: It confirms that the installer is qualified and compliant with MCS standards.

Our preferred installer, Asmore Plumbing, will obtain the appropriate MCS certificate.

4.3 Risk assessment

Our preferred supplier, Ashmore Plumbing, has to share our commitment to providing cutting-edge renewable energy solutions tailored to our needs.

The system design and installation must ensure that the Daikin 11kw Monoblock heat pump will supply 14 radiators and hot water to a 250-litre Unvented hot water cylinder.

This arrangement would provide hot water to the kitchen, male and female toilets and referee shower room. These outlets will be utilised daily by users of the sports facilities.

Ashmore Plumbing must meticulously plan and execute the installation, ensuring all components are seamlessly integrated with the existing electrical setup. The project requires precise coordination to integrate with the solar PV, battery storage and solar diverter system.

5 Commercial Case

Our commercial case demonstrates that the project will result in a viable and well-structured procurement solution. This section includes details relating to the planning and management of the procurement.

In the following few paragraphs, MPC (the buyer) demonstrates how the service will be procured competitively and in accordance with procurement requirements.

5.1 Procurement strategy

A good procurement strategy prioritises strategic sourcing, supplier management, and risk mitigation while aiming for cost efficiency, quality, and continuous improvement. It involves defining clear objectives, implementing effective processes, and utilising technology to optimise the procurement cycle.

MPC believes it has achieved this.

There are many potential suppliers of Green Energy products and services.

Our strategy of clear objectives and outcomes and establishing a mutually beneficial working relationship with the system designer and installer has ensured a future-proofed system that delivers tangible long-term running cost savings and energy independence.

Unfortunately, our journey to secure this relationship often resulted in potential suppliers wanting to provide their off-the-shelf solutions, which were frequently aimed at the domestic market and not at our unique bespoke requirements.

Working with a trusted electrical installer and plumbing and heating professional with expertise and experience in green energy solutions has resulted in several system improvements and cost savings that other companies hadn't considered or considered relevant to our needs.

There are several qualified installers. However, we recommend continuing our business relationship with JME Energy and Ashmore Plumbing to ensure we purchase a fully integrated green energy system that will repay for itself in the lifetime of the equipment and provide future-proofing.

5.2 Contractual arrangements

The contractual arrangements will be a simple offer and acceptance contractual arrangement once the precise specifications and cost are agreed upon.

5.3 Charging mechanism

One condition will be to make an advance payment to purchase capital equipment and make the full and final payment when the system is online and completed to MPC's satisfaction.

6 Financial Case

This Financial Case demonstrates that the project will result in a fundable and affordable arrangement for the decision-maker.

The project team have summarised the project's overall capital and revenue affordability, including any additional funding requirements.

6.1 Capital and revenue requirements

Description	Value
Boiler Upgrade Scheme (BUS) Grant	£7,500
MPC Reserves	£13,500

6.2 Financial benefits

6.2.1 Requirements in order to realise savings

The objective is to make immediate savings in electricity costs by harnessing the benefits of solar energy and battery storage and to be in a position to take full advantage of off-peak electricity tariffs, such as the Shape Shifeter Trio Tariff offered by Octopus Energy.

Choosing the correct tariff offers greater flexibility and the opportunity to 'buy' cheaper electricity to use during working hours when we can't rely on Solar to Home.

6.3 Non-financial benefits

Switching to renewable green energy will help reduce our carbon footprint and enhance our public image.

7 Management case

The management case outlined below demonstrates that the project can be delivered successfully, according to recognised best practices.

8.1 Programme and project management plans

The project team worked closely with the design team to ensure the final specification met current and future needs while ensuring the project wasn't over-engineered. During the design phase, some enhancements unique to a sports pavilion were added to cater for future expansion needs and future-proofing in these uncertain energy times.

During the installation phase, the project team will work closely with the installer to ensure the installation is completed according to the agreed-upon timescales and within the agreed budget.

Before signing off on the project, the project team will need to be satisfied that the system is performing to the agreed specification and that the staff employed to manage the solar generation are appropriately trained and capable of utilising the generation of the energy produced to ensure the cost savings are maximised.

8.2 Change management arrangements/requirements

No addition of management arrangements is planned.

8.3 Approach to management and delivery of benefits

The day-to-day management rests with the MPC's officers, but general oversight rests with the Policy & Resource Committee.

8.4 Approach to risk management

Once the installation has been completed and the project has been signed off, there will be minimal risk apart from ensuring that the system is maintained according to the manufacturer's recommendations.

8.5 Monitoring during implementation

The project team will work closely with the installation throughout the short time this project will take to complete and commission.

8.6 Post implementation evaluation arrangements

These arrangements will be undertaken by the project team and returned to the full Council or appropriate committee as deemed appropriate.

8.7 Contingency arrangements/exit strategy

There is no exit strategy for this project.

9 Conclusions and salient issues for further consideration

10.1 Conclusions

This project has been well executed, coordinated, and planned. It has required several weeks of diligent work by the project team to ensure this project meets its objectives and delivers substantial financial and social benefits in the short, medium and longer term.

The project team commend this business case to the Marchwood Parish Council for favourable consideration.

10.2 Salient issues for consideration

None, apart from supporting the project team's recommendations.

Marchwood Parish Council

Business Case

For the acquisition of a hot water cylinder for The Pavillion at Lloyd Recreation Ground

1 May 2025

Contents

Document Control

Document Title	Acquisition of a hot water cylinder for the Changing Rooms at Lloyd Recreation Ground
Authors	Cllrs Nigel Bucket, Cllr John Case, Tina Dudley & Angela Woodward
Date	7 May 2025
Further copies from	MPC Parish Office

1. Executive Summary

Marchwood Parish Council has a compelling rationale for transitioning to renewable energy, driven by significant economic, environmental, and social benefits. One of the most persuasive factors is cost savings.

Switching to renewable green energy will help reduce our carbon footprint, result in cost savings, and enhance our public image.

Solar PV with battery storage and installation of an ASHP heating system bring short-, medium-, and long-term financial energy savings, as well as provide the opportunity to enhance recreational facilities for the use of the community of Marchwood.

To fully utilise the benefits of these greener systems, acquiring a dedicated hot water cylinder ensures energy efficiency is achieved at a cheaper cost and only uses energy when needed. No more heating a large cylinder when there is no requirement.

The 500ltr Flexiheat WB-500 stainless steel unvented cylinder cost, including installation, is £9,500 net of VAT.

500ltr Flexiheat WB-500 stainless steel unvented cylinder utilising 2x 9kw Thermco Titanium heating elements will comply with legionella prevention.

It also ends the reliance on a gas energy supply.

Marchwood Parish Council reserves will fund this project.

2. Business Case details

Project Name	Acquisition of a dedicated hot water cylinder to the solar PV battery storage system at Lloyd Recreation Ground
Project Sponsor	Marchwood Parish Council
Project Manager	Tina Dudley
Service description	Sustainable Green Energy
Partner organisation(s)	[redacted]

3. Strategic Case

Our Strategic Case demonstrates that the spending proposal provides a viable and sustainable electricity supply, providing yearly savings on our current consumption and is predicated upon a robust and evidence-based case for change.

This business case includes the rationale of why change is required, as well as a clear definition of outcomes and the potential scope for what is to be achieved.

3.1 The proposal

Acquire a hot water cylinder to enable the provision of hot water at Lloyd Recreation Ground, which will be fully compatible with and complimentary to the solar PV and battery backup system.

3.2 The case for change

3.2.1 Alignment with Marchwood Parish Council's objectives/priorities

Marchwood Parish Council has a compelling rationale for transitioning to renewable energy, driven by significant economic, environmental, and social benefits. One of the most persuasive factors is cost savings.

Switching to renewable green energy will help reduce our carbon footprint, result in cost savings, and enhance our public image.

3.2.2 Fit with national policy

His Majesty's Government is actively pursuing a transition to greener energy, strongly focusing on renewable energy sources, energy security, and economic growth.

After decades of reliance on imported fossil fuels, the new Department for Energy Security and Net Zero's mission is to replace them with cheaper, cleaner domestic energy sources.

The goal is to achieve net-zero emissions by 2050 and to create economic opportunities for the UK through this transition.

3.2.3 Marchwood Parish Council's user needs – current and future

Marchwood Parish Council (MPC) is not immune to the impact of higher energy bills resulting from geopolitical tensions.

We cannot justify increasing our precept without enacting robust, prudent, long-term cost reductions. Our energy cost at Lloyd Recreation Ground was an obvious starting point.

We have already moved to EV vehicles, which has contributed to cost reductions, but there is a compelling economic case to go further and take advantage of external funding. MPC has already secured funding to install Solar PV, but we need to be bolder and consider how solar energy & battery storage can further reduce our energy bills.

As we have already agreed, improving facilities and potentially increasing revenue income to offset operational expenditure comes with an unavoidable but necessary cost. The challenge is to achieve this by investing wisely in the short and longer term.

MPC must have a valid Energy Performance Certificate (EPC). An EPC is valid for 10 years.

MPC recently sought an Energy Performance Certificate (EPC). The EPC recommended the installation of a more efficient water system.

At the last gas boiler service, MPC's service report noted that the current heating system was inefficient and parts were no longer available, so MPC has a simple decision to make –

1. ***Replace with a Gas Boiler and continue not to have heating in the shower and changing rooms or***

2. ***Install an ASHP system that will transfer heat from the outside air to the water in a newly installed central heating system. ASHP heats rooms in the whole Pavillion via radiators. It can also heat water stored in a hot water cylinder for hot taps and showers.***

Our preferred supplier, Ashmore Plumbing, has calculated the heating requirement to 10.8Kw.

Their solution is a Daikin 11kw Monoblock heat pump supplying 14 radiators. The heat pump provides hot water via a 250-litre Unvented hot water cylinder.

The showers in the changing rooms are utilised less often.

We have been advised that it would be better to have a 500ltr Flexiheat WB-500 stainless steel unvented cylinder utilising 2x 9kw Thermco Titanium heating elements purely for the changing room showers. Electricity supplied by the solar batteries would heat the 2x 9kw Thermco Titanium heating elements.

ASHP alone cannot produce sufficient hot water when there is maximum demand for hot water from the showers.

The hot water system's heat recovery time is based on the completely cold cylinder (12 degrees Celsius). Under these conditions, it will take 1 hour 42 minutes to reach 65 degrees Celsius using 18kw. Energy Consumption is 30.81 kWh

Based on the cylinder recovering from 40 degrees Celsius back to 65 degrees Celsius, it will take 48 minutes. Energy consumption 14.53 kWh

Our preferred supplier, Ashmore Plumbing, advised MPC to split the heating and hot water supply into two separate systems.

This way, we can still have low-carbon heating and daily hot water for the centre supplied by the heat pump.

Then, MPC can use the other cylinder with independent controls and renewable electricity from solar PV and batteries when required. This would be achieved by adding a solar diverter to the Flexiheat cylinder.

The 500ltr Flexiheat WB-500 stainless steel unvented cylinder cost, including installation, is £9,500 net of VAT.

500ltr Flexiheat WB-500 stainless steel unvented cylinder utilising 2x 9kw Thermco Titanium heating elements will comply with legionella prevention.

MPC will need to heat the cylinder to 65 degrees every 7 days, which will be programmed in regardless of whenever else it is being used.

As the building is regarded as commercial, an annual inspection is required.

3.2.4 Improvement of current arrangements

One of the significant disadvantages of the Pavillion is that there is no heating in the changing or shower rooms. Furthermore, there are just two inefficient electric radiators in The Hub.

The nonexistence of adequate heating contributes to the lack of income generation, which MPC must address and improve to contain increasing operational costs.

The most significant advantage is solar energy generated can be diverted to heat water in a way similar to that of a domestic immersion heater at a fraction of the cost we currently pay by gas.

System features and benefits (Summary)

- **Lower energy bills:** depending on what heating system you're replacing, you can save money on your energy bills.
- **Reduce energy use:** unlike traditional boilers (which use fossil fuels), heat pumps use electricity. Heat pumps are more than three times more efficient than a gas or oil boiler, helping to lower your energy use. However, they have limitations.
- **Improve carbon footprint:** your CO2 emissions will be lower with a heat pump compared to other types of heating. This is because they don't use fossil fuels, instead taking heat from their environment.

Additional benefits if fully integrated with a Solar PV and battery storage system

- **Off-Peak Charging** – this is prioritised to charge the battery during off-peak times (midnight to 7:00 am) when energy is cheaper, greener and cleaner. The battery will start to discharge outside of the peak time when energy is more expensive. Off-peak charging is optimised with Octopus Shape Shifters: Trio Business Tariff.
- **Solar PV Generation** – As with all solar PV systems, there will be times when generation exceeds demands, so the proposed Solar PV and Battery System can use that 'surplus' home energy to charge our two electric vehicles, charge the battery stack and heat the proposed 500-litre shower cylinder via a solar diverter.

3.2.5 Potential scope for further development/scalability

MPC's current energy supplier has given them a business tariff. Still, MPC would save further if they used solar PV with battery storage and switched to an Energy Supplier that offered tariffs best suited to our business needs.

Suppose MPC migrate to solar PV and Air Source Heat Pump (ASHP) as their sustainable green energy mix. In that case, we would no longer require a gas supply, which is particularly prudent in uncertain sustainable supply sources and price volatility.

3.2.6 Benefits and risks

Air source heat pumps transfer heat from the air to a fluid refrigerant. This fluid passes through a compressor, which raises the fluid's temperature and transfers the heat to your central heating system.

The proposed ASHP is sufficient for most of the energy needs of the Lloyd Pavillion, but ASHP alone cannot meet the need when the showers are required.

The demand for hot water is too great, so the solution is to harness the generation power from solar PV and battery storage to meet our hot water needs. A solar diverter achieves this with a new water cylinder. It also works without the need for a gas supply.

MCS is a UK government-backed quality assurance scheme that certifies renewable products and installers.

Our preferred heat pump installer is MCS certified and has assessed the Pavillion to help MPC decide the most suitable heat pump for MPC's needs. They have calculated the Pavillion's heat demand and other information to inform their recommendations.

The proposed new cylinder has integrated Legionella protection - meeting the recommendations of HSE document L8.

500ltr Flexiheat WB-500 stainless steel unvented cylinder utilising 2x 9kw Thermco Titanium heating elements will comply with legionella prevention.

MPC will need to heat the cylinder to 65 degrees every 7 days, which will be programmed in regardless of whenever else it is being used.

As the building is regarded as commercial, an annual inspection is required. MPC is currently ascertaining what this means for us and has asked Aquacare to provide a new maintenance schedule to ensure MPC comply with HSE requirements.

3.2.7 Constraints and dependencies

Insurers may ask questions regarding design and specification when considering installing solar power. The easiest way to manage this is to put the proposed specification before the insurers at the design stage so their fire surveyors can comment accordingly. It is usually far easier to design an improvement before the construction stage than after the work has started.

4. Economic Case

The economic case is fully described in the Business Cases for Solar PV & Battery Storage and ASHP installations.

5. Commercial Case

The commercial case is fully described in the Business Cases for Solar PV & Battery Storage and ASHP installations.

6. Financial Case – Capital requirement

The financial case is fully described in the Business Cases for Solar PV & Battery Storage and ASHP installations.

Description	Value
MPC Reserves	£9,500

7. Management case

There are no management issues for this installation.